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San Francisco

Retirement System Board

ANNUAL REPORT

6/30/67-6/30/68

CITY AND COUNTY OF SAN FRANCISCO

EMPLOYEES' RETIREMENT SYSTEM

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July-June
1967-1973

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
ANNUAL REPORT 1967-68

ADMINISTRATION

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922.

The system is administered by the Retirement Board consisting of seven members, President of the Board of Supervisors; the City Attorney, three active members of the system elected by the membership, and two members appointed by the Mayor, one an officer of a bank, and the other a resident official of a life insurance company.

Members of the Retirement Board as of June 30, 1968 were John A. Ertola, President of the Board of Supervisors; Thomas A. Toomey, the designated representative of the City Attorney, Thomas M. O'Connor; Philip J. Kearney, Martin F. Wornath, and John Simpson, elected by the membership; and John O'Meara of the Hibernia Bank. One vacancy existed at the close of the fiscal year.

To aid in administration of the system the Retirement Board appoints an Actuary and a Secretary. The latter is the Retirement System General Manager, having jurisdiction over approximately 55 permanent employees, divided into five divisions, namely, administrative, investment, accounting, actuarial, and Workmen's Compensation.

Two key positions were vacated during the year. The Actuary and the Investment Administrator left to accept other positions. Our Assistant Actuary was shortly thereafter appointed to the position of Actuary by the Retirement Board. As of June 30, 1968 the position of Investment Administrator was temporarily filled by our Head Accountant pending recruitment and examination for this key position.

Major legislation passed during the year was amendment of the membership ordinance to provide that only permanent employees become members of the Retirement System. Section 16.89-1 was also added to the Administrative Code to provide that applicants for positions in the police and fire department be given back x-rays and electrocardiograms.

Although not yet in effect on June 30, 1968, the electorate passed two major Charter changes during June 1968. One provided for an extensive revision in sections 168.1 and 171.1 of the Charter, liberalizing retirement benefits for policemen and firemen. The other added Charter Section 164.1 to provide for retroactive as well as annual cost of living adjustments in retirement and death allowances to 1977.

During fiscal year 1967-68, 145 hearings of applicants or their representatives were held in 48 meetings of the Retirement Board. Applications granted and denied during the year were as follows:

| <u>Disability industrially incurred - Police and Fire only</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Retirement | 51 | 5 |
| Determination only | 32 | 3 |
| Payment of self-incurred medical bills . . . | 27 | 9 |
| Monthly death benefit | 15 | 0 |

Ordinary disability retirements

| | | |
|---------------------------|----|---|
| Police and Fire | 2 | 0 |
| Other | 38 | 0 |

The Board terminated six disability retirements during the year.

In addition to the above the Board must consider and pass on numerous staff activities, including the investment of Retirement System funds and the appropriation and transfer of funds for the administration of the System.

As provided by section 172 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation law of the State of California are administered by the Retirement Board through the Compensation Division of the Retirement System. To provide medical diagnosis and treatment of industrial injuries and illnesses, a separate ward is maintained at San Francisco General Hospital for this purpose. Other physician-specialists are utilized as needed as well as physical therapy facilities outside the hospital. Claims processing, payment of medical benefits, and provision for weekly benefits are accomplished through a clerical and professional office staff at 450 McAllister Street. Implementation of any changes in the State law is provided by this division. Close liason exists between this division, the City Attorney, and the Workmen's Compensation Appeals Board of the State of California.

Section 159 of the Charter gives the Retirement Board exclusive control of the administration and investment of Retirement System funds derived from contributions of member employees and from contributions of the City and County. These funds now total approximately \$400,000,000. The investment of these funds is a great responsibility since the goal of such investment is to obtain maximum yield without jeopardizing the principal upon which the retirement benefits of City and County employee members are dependent. There is a direct relationship between the yield on investments and size of employee and City and County contributions required to meet the expense of retirement benefits. It is therefore essential to have thoroughly competent investment

offerings for investment, and to recommend to the Retirement Board the purchase and sale of investments. The Controller and Treasurer act jointly as custodian for securities owned and the Controller must ascertain that purchases by the Retirement Board are as required in section 159 of the Charter. Other public employee retirement systems throughout the United States similarly invest their funds and each is limited legally as to the type and amount of investments allowed. However, there are not many with a portfolio larger than ours.

Eligibility for Retirement or Death benefits is determined by the Retirement Board, utilizing recommendations from the Actuarial Division and the Administrative Division. Provision of such benefits as directed by the Retirement Board are processed by the Actuarial Division staff. A principal attorney from the City Attorney's office is available to the Board at each meeting and to Retirement System staff to assist in determination of eligibility as defined in the Charter and Administrative Code of the City and County of San Francisco.

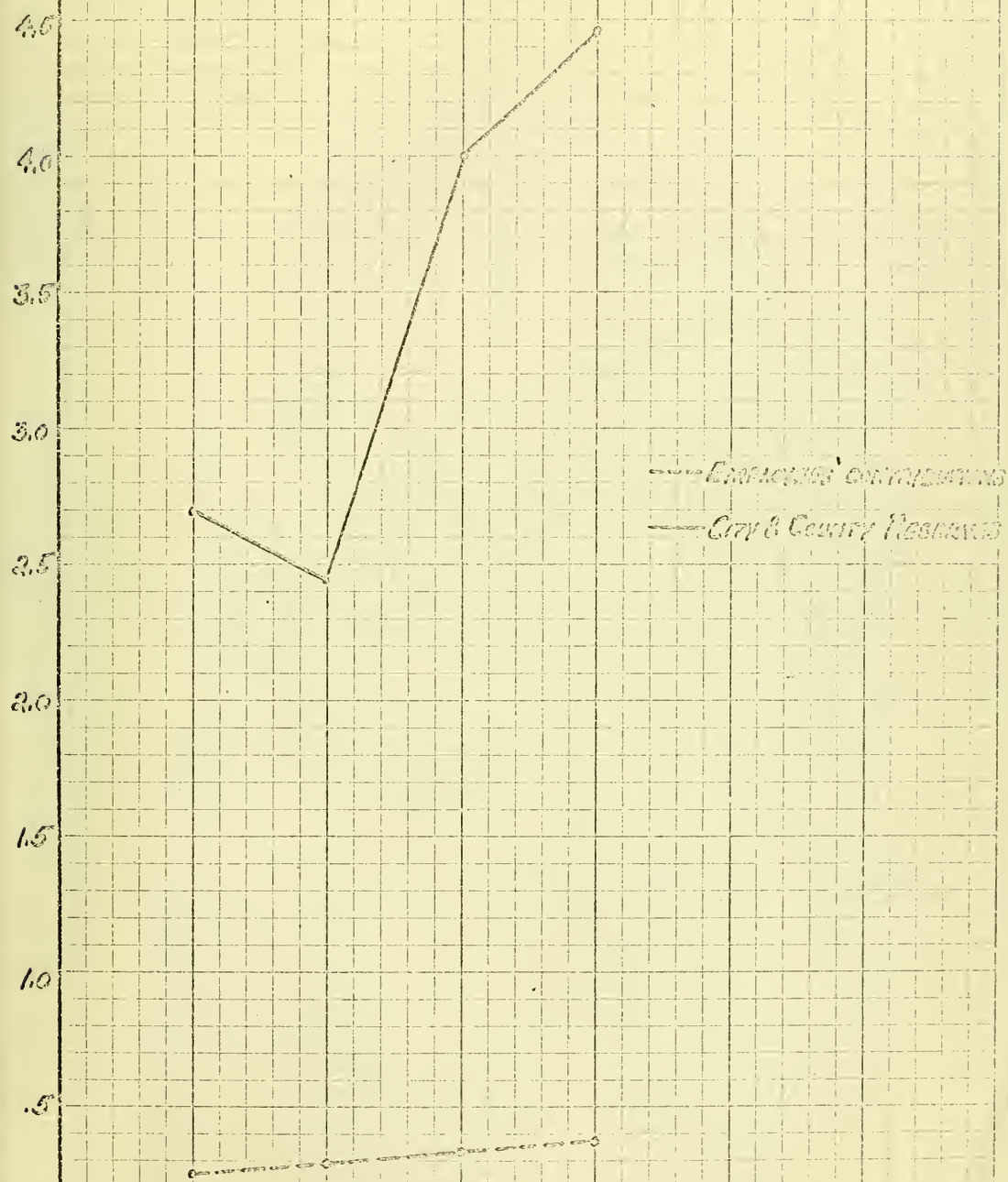
Actuarial valuations of the System are a joint effort of the Retirement System's Actuarial Division and an outside actuarial firm employed under contract. There is a close working relationship between this firm and the Retirement System for the purpose of determining the cost of new legislation and the implementation of new legislation, as well as for the purpose of recommending contribution rates after actuarial valuations of the System's mortality and financial status.

There is also a close working relationship between the State Teacher's Retirement System and the Actuarial Division, since teachers may retire under either System, and between the Social Security Administration and the Actuarial Division, since the retirement benefits of most city employees is tied to the primary OASDI benefit under the Social Security Administration.

The accounting division provides the bookkeeping of the Retirement System, auditing the payrolls, acting as custodian of payrolls for the City and County, as well as keeping a record of contributions to the System, and the additional and disbursement of funds. This division administers the disbursement of funds for the administration of the Retirement System, constructs the annual budget document, and provides for the payroll and purchase of supplies and equipment for administration of the System. The Controller annually audits the books of the System. The result of this audit is published annually.

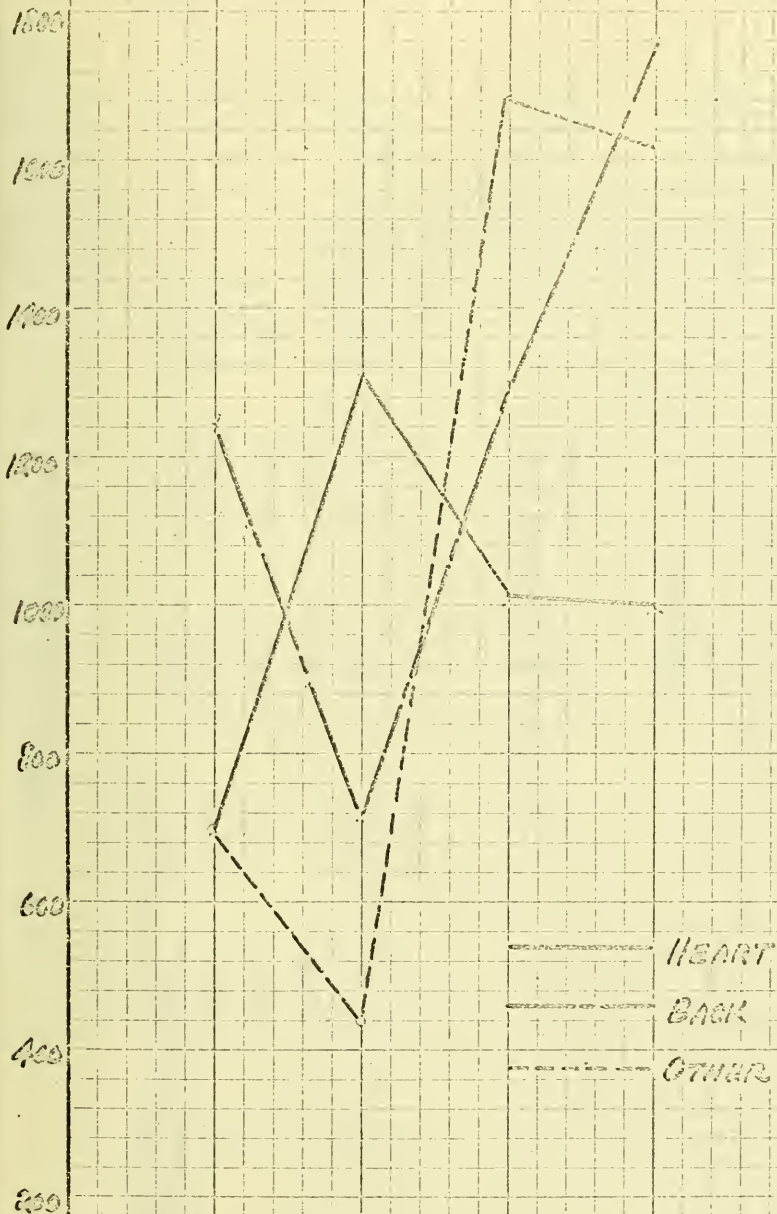
RESERVE DISCOUNT & PAYMENTS - EMPLOYER CONTRIBUTIONS AND CITY AND COUNTY RESERVES: 1943-1957

\$ millions



Massachusetts Discharge Returns and Civil Court Records
by Year of Discharge, 1903-1907

Thousands
(1903-1907)



7/1/63 - 6/30/64

Industrial Disability Retirement

| Cases Granted | | Employees Contributions | | Police | | Fire | | TOTAL | | Police | | Fire | | TOTAL | | TOTAL COST | |
|---------------|------|-------------------------|----------|----------|-----------|-----------|-----------|--------|------|--------|------|--------|------|--------|------|------------|------|
| Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | EXP. | GINT |
| 4 | 6 | \$39,504 | \$26,307 | \$65,811 | \$188,489 | \$186,845 | \$742,245 | | | | | | | | | | |
| 10 | 8 | 62,304 | 37,397 | 99,701 | 694,516 | 545,797 | 1,340,014 | | | | | | | | | | |
| 1 | - | 8,609 | - | 8,609 | 85,820 | - | 94,429 | | | | | | | | | | |
| 6 | 5 | 51,262 | 13,402 | 64,664 | 306,571 | 402,671 | 773,906 | | | | | | | | | | |
| Sub-Total | 21 | 161,679 | 77,106 | 238,785 | 1,275,376 | 1,435,313 | 2,949,494 | | | | | | | | | | |

Allowance-Death in Line of Duty

| | | | | | | | |
|---|---|--------|--------|--------|---------|---------|---------|
| 4 | 4 | 31,937 | 35,247 | 67,204 | 291,466 | 435,730 | 794,400 |
|---|---|--------|--------|--------|---------|---------|---------|

Continuations

| | | | | | | | |
|---|---|-------|--------|--------|--------|--------|--------|
| 1 | 1 | 1,556 | 11,017 | 12,573 | 11,384 | 35,357 | 59,314 |
|---|---|-------|--------|--------|--------|--------|--------|

| | | | | | | | |
|--------|----|-----------|-----------|-----------|-------------|-------------|-------------|
| TOTALS | 26 | \$195,192 | \$123,370 | \$318,562 | \$1,578,246 | \$1,906,400 | \$3,805,208 |
|--------|----|-----------|-----------|-----------|-------------|-------------|-------------|

Self-Incurred Medical Bills

(None)

7/1/64 - 6/30/65

Industrial Disability Retirements

| | Cases Granted | | Employees Contributions | | TOTAL | Police | Fire | TOTAL | Police | Fire | TOTAL | TOTAL COST EMP. + CITY |
|-------|---------------|------|-------------------------|----------|-----------|-----------|-----------|-------------|--------|------|-------|---------------------------|
| | Police | Fire | Police | Fire | | | | | | | | |
| Heart | 7 | 13 | \$76,699 | \$60,483 | \$237,182 | \$434,843 | \$870,668 | \$1,305,511 | | | | \$1,442,693 |
| Back | 7 | 3 | 48,870 | 31,335 | 80,165 | 556,735 | 186,987 | 743,722 | | | | 823,887 |
| Psych | 0 | 0 | - | - | - | - | - | - | | | | - |
| Other | 5 | 2 | 57,347 | 23,004 | 80,351 | 274,657 | 141,651 | 416,308 | | | | 496,659 |

Sub-Total 19 18 182,876 114,822 = 297,698 1,266,235 1,199,206 2,465,541 2,763,239

Allowance-Death in Line of Duty

6 11 51,846 70,829 122,675 574,568 1,046,894 1,621,462 1,744,137

Continuations

7 1 65,450 4,391 69,841 387,388 65,737 453,125 522,966

TOTALS 32 30 300,172 190,042 = 490,214 2,228,192 2,311,937 4,450,128 5,030,342

Self-Incurred Medical Bills

| | Applications Granted | | Health Service | | Applicant | | TOTAL OF CITY'S COST |
|--------|-------------------------|--|----------------|--|-----------|--|----------------------|
| | | | | | | | |
| Police | 5 | | \$1,861 | | \$1,879 | | \$3,741 |
| Fire | 1 | | - | | 49 | | 49 |
| TOTALS | 6 | | \$1,861 | | \$1,928 | | \$4,000 |

7/1/65 - 6/30/66

Industrial Disability Retirements

| Cases Granted | | Employees Contributions | | TOTAL | | Police | | Fire | | TOTAL | | TOTAL COST | |
|--|------|-------------------------|----------|-----------|------------|-----------|-------------|-------------|------|--------|------|------------|------|
| Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire | Police | Fire |
| 7 | 9 | \$83,067 | \$72,348 | \$155,415 | \$2487,635 | \$564,502 | \$1,052,137 | \$1,207,552 | | | | | |
| 10 | 6 | 61,454 | 12,979 | 74,433 | 998,026 | 340,105 | 1,338,151 | 1,422,564 | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | 10 | 79,653 | 57,451 | 137,104 | 884,371 | 770,809 | 1,653,180 | 2,792,284 | | | | | |
| Sub-Total | 26 | 224,174 | 142,778 | 366,952 | 2,370,032 | 1,675,416 | 4,045,443 | 4,412,400 | | | | | |
| <u>Allowance-Death in Line of Duty</u> | | | | | | | | | | | | | |
| 1 | 3 | 7,321 | 34,494 | 41,815 | 123,617 | 258,275 | 381,392 | 423,707 | | | | | |
| 4 | 0 | 30,680 | - | 30,680 | 141,188 | - | 141,188 | 171,868 | | | | | |
| TOTALS | 31 | 262,175 | 177,272 | 439,447 | 2,634,837 | 1,933,691 | 4,568,528 | 5,007,975 | | | | | |

Self-Incurred Medicals Bills

| Applications Granted | | Health Service | | Applicant | | TOTAL OF CITY'S COST | |
|----------------------|------|----------------|------|-----------|---------|----------------------|---------|
| Police | Fire | Police | Fire | Police | Fire | Police | Fire |
| 0 | 2 | 0 | 0 | 0 | \$87.00 | 0 | \$87.00 |
| TOTALS | 2 | 0 | 0 | \$87.00 | \$87.00 | \$87.00 | \$87.00 |

7/1/66 - 6/30/67

Industrial Disability Retirements

| | Cases Granted | | Employees Contributions | | TOTAL | | TOTAL | | TOTAL COST | |
|--|---------------|------|-------------------------|----------|----------|-----------|-----------|-------------|-------------|--|
| | Police | Fire | Police | Fire | Police | Fire | Police | Fire | EMP. + CITY | |
| Heart | 5 | 8 | \$36,195 | \$13,870 | \$50,065 | \$435,746 | \$610,056 | \$1,045,802 | \$1,095,867 | |
| Back | 10 | 11 | 84,412 | 55,801 | 140,213 | 943,738 | 843,278 | 1,787,016 | 1,927,229 | |
| Psych | 2 | 0 | 17,670 | - | 17,670 | 183,516 | - | 183,516 | 201,186 | |
| Other | 13 | 4 | 122,958 | 43,629 | 166,587 | 1,134,098 | 317,634 | 1,451,732 | 1,618,319 | |
| Sub-Total | 30 | 23 | 261,235 | 113,300 | 374,535 | 2,697,108 | 1,770,968 | 4,468,066 | 4,842,601 | |
| <u>Allowance-Death in Line of Duty</u> | | | | | | | | | | |
| | 10 | 4 | 104,285 | 34,810 | 139,095 | 767,874 | 410,235 | 1,178,109 | 1,317,204 | |
| <u>Continuations</u> | | | | | | | | | | |
| | 1 | - | 9,688 | - | 9,688 | 47,541 | - | 47,541 | 57,229 | |
| TOTALS | 41 | 27 | 375,208 | 148,110 | 523,328 | 3,512,513 | 2,181,203 | 5,693,716 | 6,217,034 | |

Self-Incurred Medical Bills

| | Applications Granted | Health Service | Applicant | TOTAL OF CITY'S COST |
|--------|----------------------|----------------|-----------|----------------------|
| Police | 9 | \$895 | \$6,039 | \$6,935 |
| Fire | 13 | 4,422 | 13,487 | 17,910 |
| TOTALS | 22 | \$5,317 | \$19,526 | \$24,845 |

SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF OPERATIONS
(\$000 --- omitted)

| Year ending 190 | I N C O M E | | | | D I S B U R S E M E N T S | | | | Increase in Reserves | Total Assets |
|-----------------|---------------|-----------------|-----------------|-------|---------------------------|------------------------|--------|-------------|----------------------|--------------|
| | CONTRIBUTIONS | INVEST- MENT | OTHER INCOME | TOTAL | WITH DRAWALS | RETIREMENT Benefits | Deaths | OTHER TOTAL | | |
| | Members | City & County | | | | | | | | |
| 1961 | 9,242 | 18,453 | 8,671 | 3 | 36,368 | 1,705 | 11,495 | 1,741 | 14,941 | 274,962 |
| 1962 | 8,650 | 14,663 | 9,762 | 4 | 33,079 | 3,032 | 11,910 | 1,940 | 1,355 | 289,804 |
| 1963 | 9,248 | 14,554 | 9,395 | | 33,197 | 2,459 | 12,401 | 2,113 | 496 | 305,532 |
| 1964 | 10,052 | 16,149 | 11,995 | 14 | 38,210 | 2,631 | 13,143 | 2,345 | 18,119 | 325,623 |
| 1965 | 10,257 | 14,630 | 12,922 | (51) | 37,758 | 2,688 | 13,949 | 2,402 | 19,039 | 344,342 |
| 1966 | 10,910 | 15,269 | 13,800 | 4 | 39,983 | 3,333 | 14,594 | 2,737 | 20,664 | 363,661 |
| 1967 | 11,712 | 15,574 | 15,066 | 6 | 42,358 | 3,385 | 15,576 | 2,749 | 328 | 383,981 |

* Excludes compensation insurance costs and administrative expenses which are reimbursed by the City and County.
 * Retirement benefits include service and disability retirement allowances.

* Death benefits include Industrial Death Allowances, Death Benefits to members' beneficiaries and Death Benefits to beneficiaries of retired employees.

* Excess of book value over proceeds from sale of bonds \$182,000. Reduction of unallocated earnings from sale of bonds in prior years due to sale of bonds in current years \$1,173,000.

* Net loss from sale of bonds.

* Distribution of excess interest earnings.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a slow but rather steady increase as follows:

| | | |
|---------|---|--------|
| 6/30/60 | = | 19,712 |
| 6/30/61 | = | 19,654 |
| 6/30/62 | = | 19,702 |
| 6/30/63 | = | 19,800 |
| 6/30/64 | = | 20,500 |
| 6/30/65 | = | 20,562 |
| 6/30/66 | = | 20,604 |
| 6/30/67 | = | 20,639 |
| Present | = | 22,235 |

Approximate membership by Charter section as reported by the EDP Center is as follows:

| | | |
|-----------------------|---|--------|
| <u>Miscellaneous</u> | | |
| Section 165 | = | 26 |
| Section 165 (16.70-1) | = | 20 |
| Section 165.2 | = | 18,735 |
| <u>Police</u> | | |
| Section 166 | = | 13 |
| Section 168.1 | = | 1,739 |
| <u>Fire</u> | | |
| Section 169 | = | 79 |
| Section 171.1 | = | 1,620 |
| <u>Others</u> | = | 3 |
| | | 22,235 |

SOCIAL SECURITY COVERAGE OF MEMBERS

A study was undertaken during the fiscal year to determine the percentage of employees subject to social security offset. It was found that 3 out of 4 miscellaneous employees are covered on the coordinated plan and would be subject to the offset after service retirement. About 7% of miscellaneous employees are Municipal Railway employees who have Social Security coverage but are not subject to the offset. This leaves 17% of miscellaneous employees without Social Security coverage as far as City and County service is concerned.

Policemen and Firemen are not covered by Social Security. About 12% of miscellaneous employees on the coordinated plan are reducing their contributions monthly to pay for Social Security.

MISCELLANEOUS EMPLOYEES

| | <u>Number</u> | <u>Percent</u> |
|--|---------------|----------------|
| With Social Security offset..... | 13,129 | 76.1% |
| No Social Security offset | 4,120 | 23.9% |
| | <u>17,249</u> | <u>100.0%</u> |
| Full supplementation (Municipal Railway) | 1,262 | 7.3% |
| No coverage..... | 2,858 | 16.6% |
| | <u>4,120</u> | <u>23.9%</u> |

CONTRIBUTIONS

Both the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction based on rates effective on July 1, 1964 as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are:

| <u>Nearest Age at Entry into the System</u> | <u>MALE</u> | <u>FEMALE</u> |
|---|-------------|---------------|
| 20 | 5.01% | 5.45% |
| 30 | 5.80% | 6.45% |
| 40 | 6.82% | 7.48% |
| 50 | 8.10% | 8.89% |

The City and County contributes to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | |
|---------------------------|---------|
| Police Department (168.1) | 15.798% |
| Fire Department (171.1) | 12.791% |
| Miscellaneous (165.2) | 5.166% |
| Miscellaneous (16.70-1) | 4.62% |

In addition to the above contributions for current service benefits, the City and County made contributions for payment of prior and current service benefits for policemen retired under sections 166 and 167, firemen retired under sections 169 and 170, and for others, including matching funds for miscellaneous employees retired under section 165. For the year ending 6-30-67 member's contributed \$11,712,000 and the City and County \$15,574,000.

The City and County has contributed to the Retirement fund amounts based on the following rates:

| Effective Date | *165 | 165.2 | 165.2 | 165.2 | 168.1 | 171.1 |
|---------------------|------|----------|--------|-----------------|--------|--------|
| | | Mun. Ry. | Water | All other Misc. | Police | Fire |
| | | % | % | % | % | % |
| July 1947 | | 8.415 | 7.301 | 11.34 | 17.47 | |
| July 1949 | | 8.415 | 7.301 | 11.34 | 26.85 | 17.93 |
| Nov. 1949 | | 8.457 | 7.367 | 11.648 | 26.85 | 17.93 |
| Jan. 1950 | | 8.893 | 7.693 | 12.162 | 26.85 | 17.93 |
| Nov. 1950 | | 8.921 | 7.715 | 12.207 | 26.85 | 17.93 |
| Dec. 1950 | | 8.954 | 7.740 | 12.259 | 26.85 | 17.93 |
| Feb. 1952 | | 8.963 | 7.740 | 12.306 | 26.85 | 17.93 |
| Apr. 1952 | | 8.963 | 7.740 | 12.306 | 27.691 | 17.93 |
| Feb. 1953 | | 9.218 | 7.956 | 12.615 | 27.691 | 17.93 |
| July 1953 (Billing) | | 6.502 | 10.605 | 12.553 | 21.062 | 21.662 |
| Apr. 1956 (Billing) | | 6.714 | 10.807 | 12.724 | 21.576 | 21.662 |
| Feb. 1957 (Billing) | | 6.221 | 12.353 | 12.898 | 19.714 | 27.775 |
| July 1957 | | 6.221 | 12.353 | 12.898 | 19.714 | 27.775 |
| July 1957 (Billing) | | 5.800 | 11.804 | 12.377 | 18.112 | 25.580 |
| Oct. 1959 | | 5.800 | 9.616 | 11.412 | 18.112 | 25.580 |
| Nov. 1959 | | 5.800 | 7.566 | 10.508 | 18.112 | 25.580 |
| Mar. 1960 | | 5.800 | 7.463 | 10.458 | 18.112 | 25.580 |
| Apr. 1960 | | 5.800 | 7.366 | 10.411 | 18.112 | 25.580 |
| July 1961 | | 5.615 | 5.800 | 6.236 | 17.268 | 15.802 |
| Mar. 1964 | | 5.684 | 5.800 | 6.277 | 17.268 | 15.802 |
| July 1964 to date | | 5.166 | 5.166 | 5.166 | 15.798 | 12.791 |

* Under Sec. 165 the City matches the employees contributions.

Sec. 165 - mandatory retirement at 70 years of age

Sec. 165.2 - mandatory retirement at 65 years of age

WITHDRAWAL OF CONTRIBUTIONS

Withdrawals for 1967-68 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|------------------------------------|---------------|------------------|----------------|
| Miscellaneous (excluding teachers) | 1,240 | \$1,742,497.05 | \$1,405.24 |
| Teachers..... | 254 | 1,311,329.55 | 5,162.71 |
| Policemen..... | 24 | 63,912.68 | 2,663.03 |
| Firemen..... | 7 | 33,537.63 | 4,791.09 |
| Adjustments..... | <u>397</u> | <u>58,443.82</u> | <u>147.21</u> |
| TOTALS: | 1,922* | \$3,209,720.73 | \$1,669.99 |

Teachers, unlike other employees, have the option of retiring either under the State Teachers' Retirement System or under the City and County Employees' Retirement System.

Many teachers each year withdraw their contributions prior to retirement in order to retire under the State System.

* Number of members withdrawing accumulated contributions: 1922 - 397 = 1525

INVESTMENT POLICY

I. INTRODUCTION

The Retirement System was established April 1, 1922, under Article XVII, of the Charter adopted November 2, 1920. This Charter provided that "The Board of Administration shall have exclusive control of the administration and investment of such fund or funds as may be established." The broad powers of the Board were limited by Section 159 of the new Charter adopted January 8, 1932, which gave the Retirement Board "exclusive control of the administration and investment of such fund or funds as may be established, provided that all investments shall be of the character legal for insurance companies in California."

The investment philosophy pursued by the Retirement Board has been expressed by Ralph R. Nelson, who served the Board in various capacities from 1922 through 1958 and managed the portfolio during that period of time. In 1934 Mr. Nelson wrote the following concerning the investment policy:

"I consider funds accumulated for retirement purposes as a semi-public trust. Its sacredness is beyond question, because the funds are held for the protection of widows and their children in the event of death of members or, in the absence of death, for the protection of members and their families in old age. One should eliminate sentiment entirely, however, and base the administration of the Fund on a cold and unflinching determination to safeguard the principal. That the contribution required of the employee is augmented by the 'City and County' for his greater benefit, does not alter the fact that it is compulsory and, therefore, to be guarded all the more zealously.....

"The investment policy should be so steeped in conservatism and so firmly interwoven with a realization of the Fund's sacredness, that abuse by any future management will be unthinkable.....

"As has been shown in many insurance companies, banks and miscellaneous trust funds, and may yet be shown even more emphatically, the finest laid plans fail completely without proper handling of the funds upon which they are based, not only for the present but for next year, and the next, and indefinitely into the future. Particularly should it be remembered that most financial reverses grow from decisions made in the optimism of prosperity."

The objective of the policy is to earn the maximum rate of return available, while preserving the principal.

II. HISTORY OF PORTFOLIO

From 1922 through 1942, Retirement funds were primarily invested in California State and municipal bonds, which offered a yield in excess of United States Treasury obligations which were being issued as partially tax-exempt bonds prior to 1941. A few public utility bonds and railroad mortgage bonds appeared on the list of securities eligible for investment. The railroad mortgage bonds currently held in the portfolio were purchased in 1929 and 1930. During World War II when the tax-exempt feature of municipal bonds became increasingly more valuable to taxable institutions and

and individuals, thereby causing the price of municipal bonds to increase substantially more than taxable bonds, the Retirement Board authorized the sale of substantially all of the municipal bonds owned and the reinvestment of the proceeds in United States Treasury Bonds. The proceeds from the sale exceeded the book value of the bonds sold by over \$4,800,000. In accordance with a procedure established in the early thirties, this amount was applied to reduce the cost of the Treasury Bonds purchased, and to restore the excess income to the future as interest to be earned.

From 1940 through 1947, new commitments were predominantly U.S. Government obligations. Since 1948, public utility bonds and railroad equipment trust certificates have become increasingly important in the over-all holdings of the System. Recent commitments have included bonds issued by industrial concerns, bonds guaranteed by a Canadian province, assignments of conditional sale agreements for the purchase of railroad equipment, and United States Government Agency Bonds. The need for a broadly diversified investment portfolio is recognized as a means of increasing revenues without sacrificing quality, and allowing for a shift in emphasis as times and conditions warrant.

The portfolio's greatest exposure to risk today would result from a steep decline in interest rates which would permit the refunding of outstanding high-coupon bonds with bonds bearing lower interest rates. Every effort is made during periods of relatively high interest rates to purchase obligations which are either non-callable, non-refundable at lower interest rates for a period of several years, offer additional premiums should the obligor call the issue prior to maturity for other than sinking fund purposes, or bonds which are then selling at a considerable discount from par.

III. MANAGEMENT OF PORTFOLIO

Funds are committed as they become available or in anticipation of receipt. Once money deposited with the City and County Treasurer becomes available for investment, long-term securities are purchased by the Board. Long range investment objectives may be pursued because new contributions, which are received monthly, exceed the necessary disbursements. Consequently, the ability to liquidate investments on short notice to meet benefit payments or withdrawals is not of major importance. No interest is credited to the Retirement System on funds held by the Treasurer.

From April 1, 1922 until February 1948, the Board followed the policy of adopting a list of securities eligible for investment of Retirement funds, with authority to the Board's staff to purchase securities, accept delivery and make payment for them. Under this policy, eligible securities were purchased in the open market as they became available, and after delivery of the bonds, the transaction was reported to the Board for record. The Board was specific in its designation of what could be bought, because it was giving authority for the completion of the purchase.

In about February, 1948, a change in policy by the Controller required that every purchase be approved by the Board, before a warrant could be issued in payment for securities. The Retirement Board adopted the attitude that

commitments could be made for purchase of securities when cash was on hand or in near prospect, and securities were available in order to maintain a certain degree of flexibility, providing the Chief of Investments obtains the prior approval of the Investment Committee of the Retirement Board. But at all times, commitments are subject to the Board's review and approval.

Any security which would be a legal investment may be presented to the Board for specific approval. It will be noted that the Retirement Board has approved private placements of utility bond, (which are not rated by Moody's), industrial bonds, bonds guaranteed by a Canadian province, conditional sale agreements for railroad equipment, and bonds issued by United States Government agencies.

At the meeting of September 25, 1937, the Board established the maximum par value amount of bonds issued by any one public utility and equipment trust certificates issued by any one railroad to 1% of the total investments of the Retirement System at the time of the purchase. It was understood that this maximum is intended as a guide in the purchase of the securities, and that in unusual circumstances it would be subject to modification. There is no fixed limit in amount or specific qualification requirement for U.S. Government, state or municipal bonds. However, in the past few years, few Governmentals and no Municipals have been purchased due to their lower yields. The foregoing procedure permits the purchase of bonds as they are available and in anticipation of cash. Its flexibility permits rapid action which is in the interest of the Retirement System. It, nevertheless, leaves in the hands of the Board absolute control over every single purchase. Sellers of bonds readily accept the condition that commitments be subject to approval by the Board. This policy permits emphasis to be shifted to take advantage of the yield relationships and supply and demand conditions for various types of securities which arise from time to time.

At the time a purchase is submitted to the Board for approval, the names of the dealers from whom the purchases to be made are stated. In the case of new public offerings of securities, it is the practice to buy bonds from members of the underwriting syndicate, having offices located in San Francisco in proportion to their commitment in the syndicate. When bonds are not available from local dealers as syndicate members for new issues, or at equal or better secondary prices for the same bonds or bonds of equal status, consideration is then given to the purchase from dealers located in other cities. Bonds in the secondary market, i.e., previously distributed issues, are considered as offered informally, rather than in response to broadcast requests for offers. The latter procedure would only give appearance of widespread demand, against the interest of the System. Commitments have been made more frequently for new public offerings than for secondary offerings because the former usually afford a somewhat higher yield to maturity than the latter.

After purchases have been approved by the Board, an Investment Roll is drawn and transmitted to the Controller's office for payment. As a matter of practice, the Controller within the past few years has required the Retirement System to supply proof that each investment is a legal one for insurance companies in California before warrants will be issued in payment for the securities. Because the Insurance Commissioner seldom certifies in writing securities as legal investment for insurance companies at the time of public offerings, and whereas the Superintendent of Banks does issue such a certificate for savings banks, the Retirement System has largely limited purchases of securities to those which are legal for California savings banks, and thereby has complied with the Controller's policy. Requirements for legal investments for savings

banks are considerably more stringent than for insurance companies. The burden of proof that an investment is a legal one for the Retirement System rests solely with the Retirement Board and the Secretary must certify on each investment roll that the Retirement Board has "approved the bond purchase as being in conformity with the provisions of Section 159 of the Charter.

The Treasurer and Controller of the City and County of San Francisco jointly act as custodians for the securities owned by the System. The bonds are stored in a joint custody vault in the Treasurer's office.

On the few occasions when securities have been sold, it has been the practice to request bids from several investment banking firms or banks, and award the bonds to the highest bidder.

Interest is received on investments and credited to the Retirement Fund as it falls due. All coupons are clipped by the Treasurer's office and, under a resolution adopted sometime ago by the Retirement Board, are transmitted to the Bank of America for collection, except San Francisco coupons. Checks for interest on registered bonds are received directly from the paying agent of the issuer and are deposited immediately with the Treasurer. Bonds sold or called, are handled as to collection in the same manner as interest collected.

INVESTMENTS

During the year yields on high-quality bond offerings continued to rise, reaching 7% near the end of the year.

As of December 31, 1967 book value of the portfolio was \$52.6 million dollars, \$253.3 million of which was invested in public utility company bonds. About 77% of the book value represented bonds with yields ranging from 3% to 5%. About 8½% comprised bonds with average yields under 3%, and 1½% with average yields 5% and over. The average yield on the entire portfolio for fiscal year 1966-67 was 4.14%.

During fiscal year 1966-67, the Retirement Board authorized the distribution of \$499,466 excess interest earned over interest credited to contribution during fiscal 1965-66 as follows:

- \$327,520 to retired employees on fixed allowances.
- 171,946 to a separate reserve to be distributed later to active members.

During fiscal year 1967-68, the Retirement Board authorized distribution of \$600,000 excess interest earned during fiscal 1966-67 as follows:

- \$370,000 to retired members on fixed allowances.
- 230,000 to a reserve for active members.

Before the end of the year the Board approved a method for distributing the \$400,000 for active employee members.

The Retirement Board was granted the power to distribute such excess earnings under section 16.37-1 of the Administrative Code.

The Retirement Board has requested an actuarial valuation of the Retirement System to determine by what amount, if warranted, the interest rate credited to contributions should be increased. This rate was set at 4.0% on 7/1/64 as a result of the last valuation. The contingency reserve against adverse experience had grown from \$13,931,764 as of 6/30/64 to \$15,245,445 as of 6/30/67.

Type and amount of investment holdings by type and principal amount as of December 31, 1967, were:

| | <u>MILLIONS</u> | <u>% OF TOTAL</u> |
|---|-----------------|-------------------|
| Public Utility Company Bonds..... | \$253.283 | 66.0 |
| U.S. Government Obligations..... | 44.315 | 11.5 |
| Industrial Company Bonds..... | 36.523 | 9.5 |
| Railway Company Bonds..... | 31.114 | 8.1 |
| Financial (Companies and Banks)..... | 8.010 | 2.1 |
| Canadian Obligations..... | 5.165 | 1.3 |
| U.S. State and Municipal Obligations..... | 4.679 | 1.2 |
| Miscellaneous..... | <u>0.962</u> | <u>0.3</u> |
| | \$354.051 | 100.0 |

A comparison of the types of investments held in 1967 by Employee Retirement Systems in the U.S. revealed the following approximate percentage distributions:

| | <u>All Systems *</u> | <u>Locally Administered Systems *</u> | <u>S.F. Employees Retirement System</u> |
|----------------------------|--------------------------|---|---|
| U.S. Government Securities | 23% | 33% | 12% |
| Corporate Bonds | 53% | 53% | 85% |
| Corporate Stocks | 6% | 4% | .. |
| Mortgages | 12% | 5% | - |
| Other | 6% | 5% | 3% |

(*) Percentages developed from U.S. Bureau of Census, Census of Government, 1967; Vol. 6, No. 2, Employee Retirement Systems of State and Local Governments, 1968.

The Retirement Board has been aware that other Systems have been investing in corporate stocks and mortgages, and is in the process of contracting for consulting services with the possibility in mind of investing in corporate stocks.

The date of maturity of bonds held as of December 31, 1967 by principal amount in millions of dollars, is as follows:

| | | | |
|------|--------|------|---------|
| 1968 | \$0.40 | 1990 | \$14.92 |
| 1969 | 0.39 | 1991 | 16.52 |
| 1970 | 1.05 | 1992 | 30.22 |
| 1971 | 2.03 | 1993 | 22.73 |
| 1972 | 4.81 | 1994 | 13.95 |
| 1973 | 3.04 | 1995 | 13.68 |
| 1974 | 6.68 | 1996 | 11.17 |
| 1975 | 4.72 | 1997 | 18.43 |
| 1976 | 6.01 | 1998 | 14.64 |
| 1977 | 5.42 | 1999 | 2.45 |
| 1978 | 11.08 | 2000 | 3.22 |
| 1979 | 7.81 | 2001 | 1.75 |
| 1980 | 15.48 | 2002 | 3.81 |
| 1981 | 7.55 | 2003 | 2.90 |
| 1982 | 13.38 | 2004 | 0.20 |
| 1983 | 14.87 | 2005 | 3.84 |
| 1984 | 13.57 | 2006 | 8.10 |
| 1985 | 17.68 | 2007 | 0.00 |
| 1986 | 18.02 | 2008 | 0.00 |
| 1987 | 10.90 | 2009 | 0.00 |
| 1988 | 21.95 | 2010 | 0.00 |
| 1989 | 13.31 | 2011 | 1.02 |

MATURITY OF BONDS PAID ON JANUARY 31, 1967. PRINCIPAL AMOUNT (DOLLARS)

WILLIONS

4.30

4.25

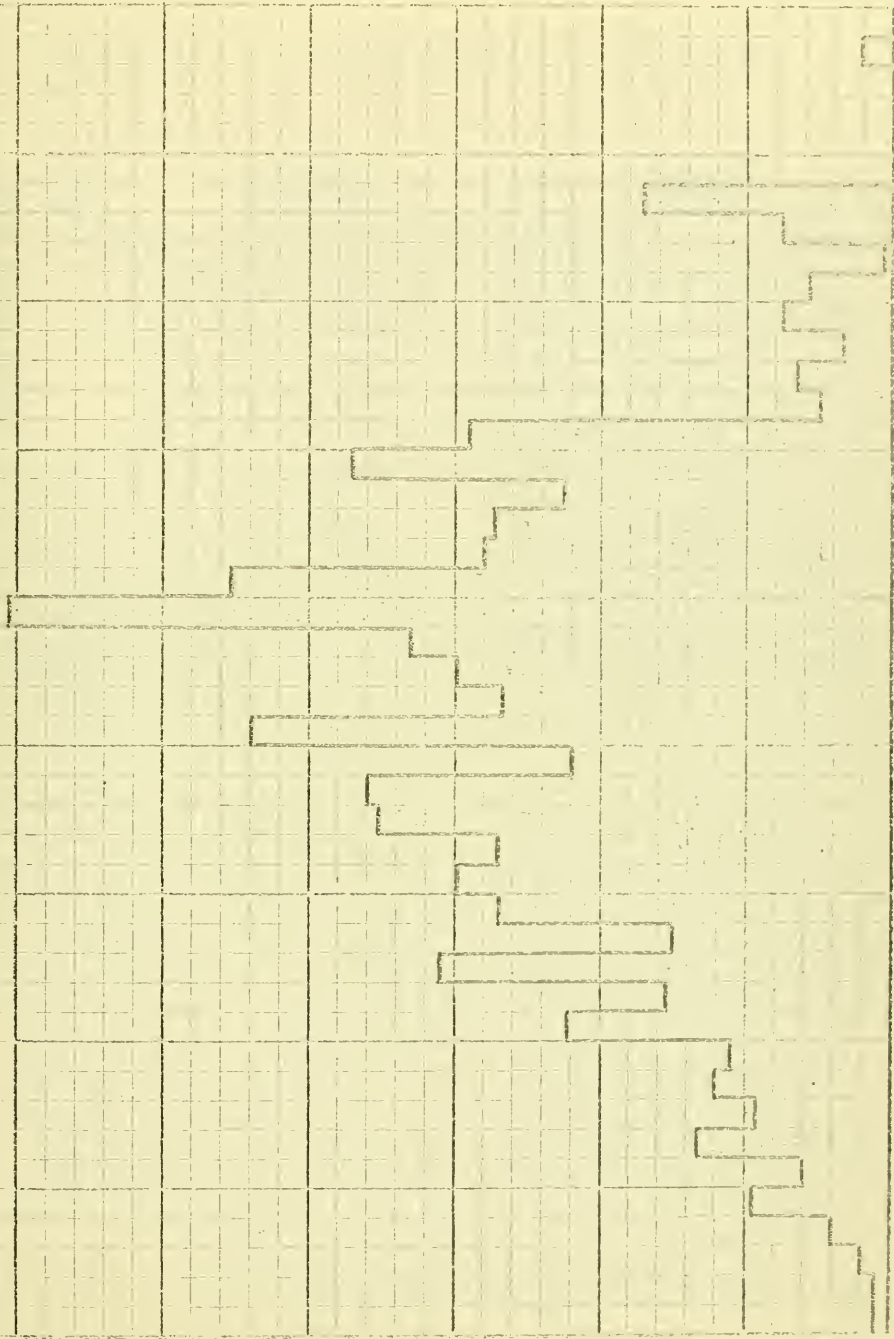
4.20

4.15

4.10

4.05

4.00



4
01
10
30
50
70
90
110
130
150
170
190
210
230
250
270
290
310
330
350
370
390
410
430

SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
BOND ACCOUNT

| <u>FISCAL YEAR</u> <u>ENDING 6/30</u> | <u>AMORTIZED</u> <u>BOOK VALUE</u> | <u>ANNUAL</u> <u>INCREASE</u> |
|--|---------------------------------------|----------------------------------|
| 1961 | \$ 264,356,383 | \$ 19,451,843 |
| 1962 | 283,578,201 | 19,221,818 |
| 1963 | 297,055,831 | 13,477,630 |
| 1964 | 318,492,136 | 21,436,305 |
| 1965 | 334,762,690 | 16,270,554 |
| 1966 | 352,893,494 | 18,130,804 |
| 1967 | 374,320,959 | 21,427,465 |

AMORTIZED BOOK VALUE

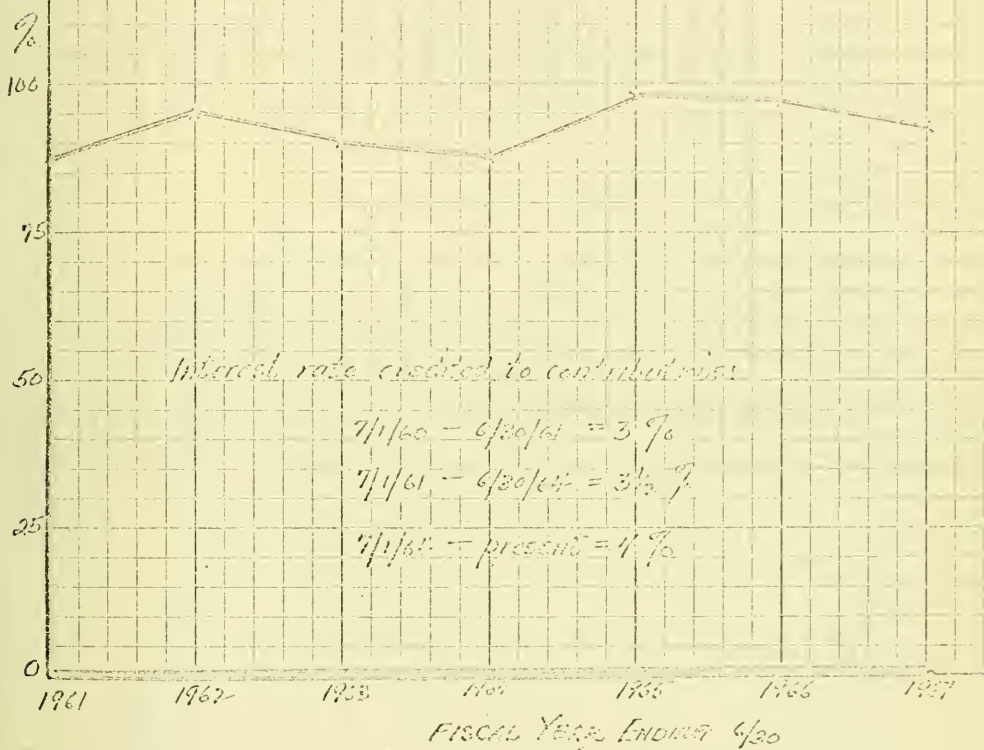


SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM

| FISCAL YEAR ENDING 6/30 | INTEREST EARNED* | INTEREST CREDITED TO CONTRIBUTIONS | INTEREST CR. TO CONTRIBUTIONS/TO INTEREST EARNED % | RATE CREDITED TO CONTRIBUTIONS |
|----------------------------|---------------------|---------------------------------------|--|-----------------------------------|
| 1961 | \$ 8,671,042 | \$ 7,406,636 | 85.42 | 3 % |
| 1962 | 9,761,082 | 9,238,818 | 94.65 | 3 1/2 % |
| 1963 | 10,826,349 | 9,773,567 | 90.23 | 3 1/2 % |
| 1964 | 11,994,503 | 10,397,623 | 86.68 | 3 1/2 % |
| 1965 | 12,920,976 | 12,588,488 | 97.43 | 4 % |
| 1966 | 13,799,797 | 13,311,539 | 96.46 | 4 % |
| 1967 | 15,065,870 | 14,055,401 | 93.29 | 4 % |

*Bond interest earned minus amortization and plus accumulation for the year. Does not include profit or loss on sale or call of bonds, miscellaneous income or interest earned on City and County debit balances.

INTEREST CREDITED TO CONTRIBUTIONS & INTEREST EARNED
(PERCENT)



SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM

INVESTMENT ACCOUNT

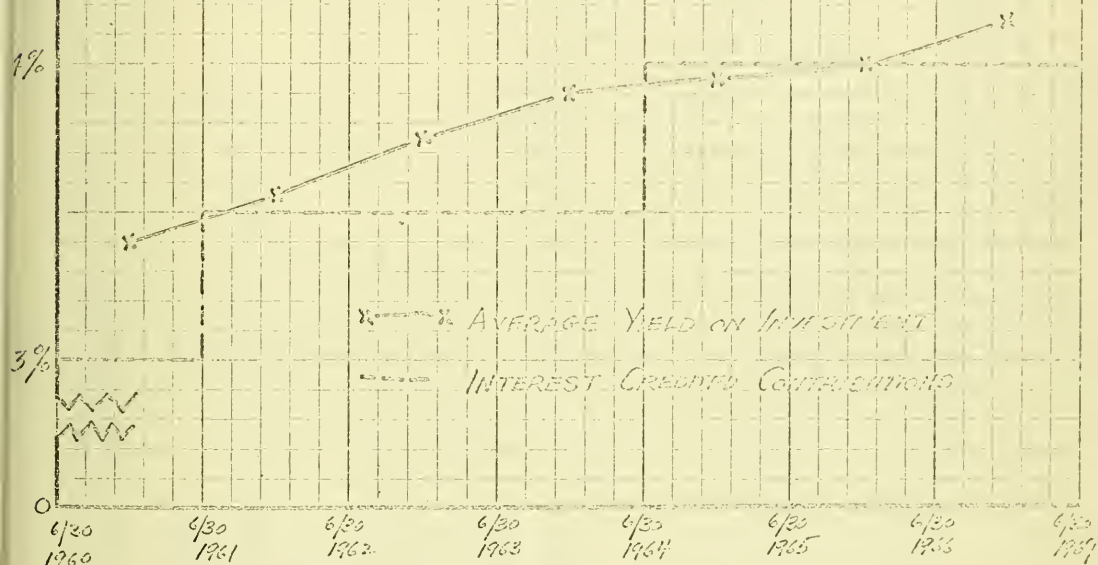
RATE OF RETURN

| FISCAL YEAR ENDING 6/30 | AMORTIZED BOOK VALUE ¹ | MEAN BOOK VALUE | BOND INTEREST EARNED ² | YIELD ON INVESTMENT ACCT. |
|----------------------------|--------------------------------------|--------------------|--------------------------------------|------------------------------|
| 1961 | \$ 264,356,383 | \$ 254,630,461 | \$ 8,671,042 | 3.40% |
| 1962 | 283,578,201 | 273,967,292 | 9,761,082 | 3.56 |
| 1963 | 297,055,831 | 290,317,016 | 10,826,349 | 3.74 |
| 1964 | 318,492,136 | 307,773,983 | 11,994,503 | 3.90 |
| 1965 | 335,762,690 | 327,127,413 | 12,920,976 | 3.95 |
| 1966 | 353,893,494 | 344,828,092 | 13,799,797 | 4.00 |
| 1967 | 374,320,959 | 364,107,226 | 15,065,870 | 4.14 |

1. Amortized book value as carried on books of the Retirement System.

2. Bond interest earned minus amortization and plus accumulation for the year. Does not include profit or loss on sale or call of bonds, miscellaneous income, or interest earned on City and County debit balances.

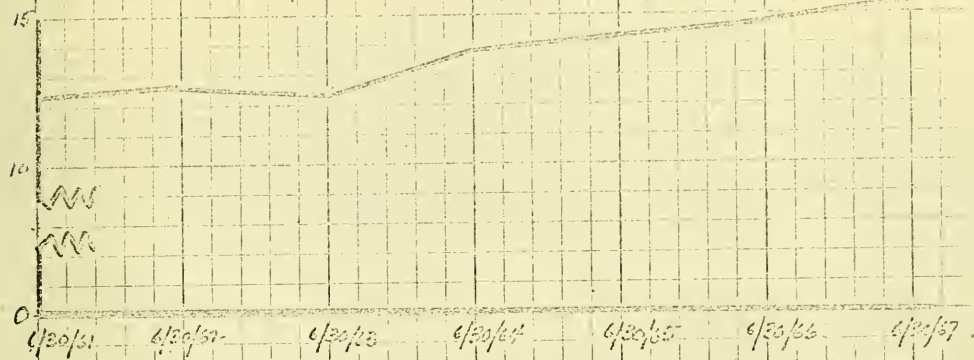
AVERAGE ANNUAL YIELD ON INVESTMENT COMPARED TO INTEREST CREDITED TO CONTRIBUTIONS (PERCENT)



SAN FRANCISCO CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
CONTINGENCY RESERVE AGAINST ADVERSE EXPERIENCE

| YEAR | CONTINGENCY RESERVE | INCREASE | PERCENTAGE OF AMORTIZED BOOK VALUE |
|------|------------------------|---------------|---------------------------------------|
| 1961 | \$ 12,327,788 | \$ -2,850,068 | 4.66 |
| 1962 | 12,679,511 | 351,723 | 4.47 |
| 1963 | 12,312,426 | -367,085 | 4.14 |
| 1964 | 13,931,764 | 619,338 | 4.37 |
| 1965 | 14,221,464 | 289,700 | 4.24 |
| 1966 | 14,720,927 | 499,463 | 4.17 |
| 1967 | 15,245,445 | 524,518 | 4.072 |

CONTINGENCY RESERVE : GROWTH IN MILLIONS OF DOLLARS



CONTINGENCY RESERVE : % OF AMORTIZED BOOK VALUE



RETIREMENT AND DEATH BENEFITS

ALLOWANCES

As of June 30, 1967, there were 6,192 monthly allowances being paid, totaling \$1,422,663.85 per month and averaging \$229.76 per allowance. Breakdown by type and amount was as follows:

Number and Average - Amount of Monthly Allowance San Francisco City and County Employees Retirement System

June 30, 1967

| | Number of Allowances | | Amount | |
|-------------------|----------------------|-------------|-----------------------|-----------------|
| | Total | Fluctuating | Total | Average |
| <u>SERVICE</u> | | | | |
| Miscellaneous | 3645 | --- | \$643,070.69 | \$176.43 |
| Fire | 521 | 448 | 216,644.13 | 415.82 |
| Police | 422 | 40 | 106,194.30 | 251.65 |
| <u>DISABILITY</u> | | | | |
| Miscellaneous | 647 | --- | 101,833.93 | 157.39 |
| Fire | 319 | 164 | 127,576.65 | 399.93 |
| Police | 396 | 80 | 130,941.81 | 330.66 |
| <u>DEATH</u> | | | | |
| Miscellaneous | --- | --- | --- | --- |
| Fire | 115 | 63 | 54,435.30 | 473.35 |
| Police | 127 | 43 | 41,967.04 | 330.45 |
| TOTAL | 6,192 | 838 | \$1,422,663.85 | \$229.76 |

The unadjusted number and amount of monthly allowances as of the end of the year as reported in the annual reports to the Mayor, were as follows:

| | <u>Number of Allowances</u> | <u>Monthly Amount</u> |
|---------|-----------------------------|-----------------------|
| 6/30/60 | 5,363 | \$996,919.79 |
| 6/30/61 | 5,425 | 1,027,781.17 |
| 6/30/62 | 5,532 | 1,081,763.46 |
| 6/30/63 | 6,033 | 1,123,970.63 |
| 6/30/64 | 5,793 | 1,207,216.26 |
| 6/30/65 | 5,963 | 1,289,582.02 |
| 6/30/66 | 6,048 | 1,340,830.47 |
| 6/30/67 | 6,213 | 1,444,592.34 |
| 6/30/68 | 6,431 | 1,540,033.89 |

RETIREMENT ALLOWANCES

ALLOWANCES

As of June 30, 1968, there were 6,391 allowances being paid, totaling \$1,514,686.05, and averaging \$237.00 per allowance, as follows:

| | Number of Allowances | | Amount | |
|---------------------|----------------------|-------------|----------------|----------|
| | Total | Fluctuating | Total | Average |
| <u>SERVICE</u> | | | | |
| Miscellaneous | 3731 | - | \$697,338.29 | \$186.90 |
| Fire | 519 | 444 | 219,187.03 | 422.33 |
| Police | 401 | 40 | 97,115.10 | 242.18 |
| <u>DISABILITY</u> | | | | |
| Miscellaneous | 653 | - | 105,691.17 | 161.85 |
| Fire | 332 | 165 | 135,840.01 | 409.16 |
| Police | 432 | 79 | 145,937.87 | 337.82 |
| <u>DEATH</u> | | | | |
| Miscellaneous: | | | | |
| after retirement | 80 | - | 9,309.50 | 116.37 |
| after qualification | | | | |
| for service: | 10 | - | 2,020.08 | 202.01 |
| Fire | 114 | 63 | 55,684.46 | 488.46 |
| Police | 119 | 39 | 46,562.54 | 391.28 |
| TOTAL: | 6,391 | 830 | \$1,514,686.05 | \$237.00 |

Fluctuating allowances are those paid to policemen, firemen or their beneficiaries under the older sections of the Charter. They are adjusted annually, the amount determined by the current salary attached to the rank or position held at retirement. The amount of additional monthly allowance added to the 833 fluctuating allowances as a result of salary increases effective July 1, 1967, was as follows:

| | <u>Number of Recipients</u> | <u>Amount of Monthly Increases</u> |
|--------|---------------------------------|--|
| Fire | 675 | \$7,838.00 |
| Police | 163 | 1,113.84 |
| | 838 | \$8,951.84 |

The average increase effective July 1, 1967 was approximately \$11.00 monthly.

RETIREMENTS

The number of active members retiring by type of retirements during fiscal years of 1960 to 1968 were:

| | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|---------|--------------|----------------|-------------------|
| 1960-61 | 318 | 259 | 59 |
| 1961-62 | 317 | 250 | 67 |
| 1962-63 | 395 | 315 | 80 |
| 1963-64 | 334 | 271 | 63 |
| 1964-65 | 408 | 335 | 73 |
| 1965-66 | 371 | 280 | 91 |
| 1966-67 | 419 | 326 | 93 |
| 1967-68 | 387 | 293 | 94 |

Note: Included in the 1967-68 figures are only those whose monthly warrants were issued during the fiscal year.

There was a minimum of 2 and a maximum of 6 reinstatements from disability retirements per year. There were 6 such reinstatements during 1967-68. The Board terminated 3 miscellaneous and 3 police and fire disabilities.

SERVICE RETIREMENTS 1967-68

(By Date of Initial Payment)

Miscellaneous (compulsory = 135; voluntary = 139): 274

Section 165.2 = 266
 Section 165.2 (F) = 4
 Section 165 = 2
 Section 16.70-1 = 2

Police (compulsory = 5; voluntary = 5): 10

Section 168.1 = 10

Fire (compulsory = 4; voluntary = 5): 9

Section 171.1 = 6
 Section 169 = 3

TOTAL: 293

DISABILITY RETIREMENTS 1967-68

(By Date of Initial Payment)

MISCELLANEOUS (Section 165.2) 38
 Average age = 53; range 39-59 years
 Average years of service = 20; range 10-38 years

POLICE 32
 Ordinary Disability (Section 168.1) = 2
 Industrial Disability = 30
 Section 166 = 1 (age 70 with 45 years service)
 Section 168.1 = 29
 Qualified for service = 6 (average age 62 with
 34 years service)
 Not qualified for service = 23 (average age 41 with
 15 years of service)

FIRE 24
 Industrial Disability = 24
 Section 169 = 7 (Average age 70 with 41 years service)
 Section 171.1 = 17
 Qualified for service = 9 (Average age 59 with
 32 years service)
 Not qualified for service = 8 (Average age 44 with
 17 years service)
 TOTAL: 94

The industrial injuries or illnesses for which these 54 firemen and policemen were retired during 1967-68, may be classified as follows:

| | <u>Number</u> | <u>Percent</u> |
|---------------------------------------|---------------|----------------|
| Heart and vascular system..... | 19 | 35.2 |
| Back injuries..... | 17 | 31.5 |
| Injuries to lower extremities..... | 8 | 14.8 |
| Injuries to upper extremities..... | 2 | 3.7 |
| Injuries to other parts of the body.. | 5 | 9.3 |
| Emotional illness..... | 2 | 3.7 |
| Other: Pulmonary hyperventilation... | 1 | 1.8 |
| TOTAL: | 54 | 100.0 |

No reserves are set up to pay old section fire allowances. They are paid for entirely by the City and County. Except for \$2,400 contributions accumulated by the Section 166 policemen who retired for industrial disability, all benefits were paid by the City and County.

The allowances for industrial disability under the new sections are paid for jointly by contributions of the members and by the City and County. The average contribution for those who retired for industrial disability prior to qualification for service was \$8,300, whereas that for the City and County was \$100,100.

AGE AT RETIREMENT

Of those members retiring for service during 1966-67, about 4% of the miscellaneous members and 36% of the policemen and firemen were under 60 years of age at retirement. Miscellaneous members receive a discounted allowance under age 60 whereas policemen and firemen are discounted at an earlier age. About 56% of the miscellaneous members had attained age 65 at retirement, as contrasted with only 36% of policemen and firemen.

Of those members retiring for disability during 1966-67, 45% of the miscellaneous members and 58% of policemen and firemen were under age 55.

Age at Retirement Miscellaneous Employees City & County of San Francisco Retirement System Fiscal Year 1966-1967

SECTION 165.2*

| <u>Retirement Age</u> | <u>Retirement for</u> | |
|-----------------------|-----------------------|-------------------|
| | <u>Service</u> | <u>Disability</u> |
| Under 55 | - | 15 |
| 55 - 59 | 11 | 19 |
| 60 - 64 | 112 | 3 |
| 65 | 155 | - |
| | <u>278</u> | <u>37</u> |

*There were 9 Section 165 Miscellaneous employee retirements during fiscal year 1966-1967 not included in this table.

Police & Fire Non-fluctuating allowances (Sections 168.1 & 171.1)

| | | |
|----------|-----------|-----------|
| Under 50 | - | 25 * |
| 50 - 54 | 4 | 8 ** |
| 55 - 59 | 9 | 4 *** |
| 60 - 64 | 10 | 5 *** |
| 65 | 11 | 4 *** |
| | <u>34</u> | <u>46</u> |

* 3 ordinary and 24 industrial
** 1 ordinary and 7 industrial
*** all industrial

Fluctuating Allowances (Sections 166 & 169)

| | | |
|---------------|----------|-----------|
| 60 - 65 incl. | - | 2 |
| Over 65 | <u>2</u> | <u>9</u> |
| | | <u>11</u> |

YEARS OF SERVICE AT RETIREMENT

Of those retiring for service during 1966-67 the median years of service for miscellaneous employees was between 20 and 25 years, whereas the median was between 30 and 35 years for policemen and firemen.

Credited Years of Service Prior to Service Retirement City & County of San Francisco Retirement System Fiscal Year 1966 - 1967

| <u>Years of Service</u> | <u>Miscellaneous *</u> | | <u>Police and Fire ** (Uniformed)</u> |
|-----------------------------|------------------------|---------------|---|
| | <u>Male</u> | <u>Female</u> | |
| 5 - 10 | - | 3 | - |
| 10 - 15 | 17 | 11 | - |
| 15 - 20 | 39 | 19 | - |
| 20 - 25 | 53 | 22 | - |
| 25 - 30 | 36 | 6 | 11 |
| 30 - 35 | 19 | 9 | 16 |
| 35 - 40 | 28 | 14 | 4 |
| 40 and over | 4 | 7 | 5 |
| | <u>196</u> | <u>91</u> | <u>36</u> |

* Includes both Sections 165 and 165.2

** All non-fluctuating but 1 police fluctuating 35 to 40 years, and 1 police fluctuating 40 and over.

Of those retiring for disability, the median year for miscellaneous employees was between 15 and 20 years of service, between 20 and 25 years of service for policemen and firemen. However, for policemen and firemen under the newer sections of the Charter, the median was also between 15 and 20 years. It is of interest to note that many more policemen and firemen retired for disability than did miscellaneous members although there are many more miscellaneous members in the Retirement System. However policemen and firemen suffer more disabling injuries per million man-hours of exposure than the average miscellaneous employee (see under Workmen's Compensation).

Credited Years of Service
Prior to Disability Retirement
City and County of San Francisco Retirement System
Fiscal Year 1966 - 1967

| Years of Service | Miscellaneous | | Police and Fire | |
|---------------------|---------------|-----------|-----------------|-------------|
| | Male | Female | Non-fluctuating | Fluctuating |
| 0 - 5 | - | - | 1 | - |
| 5 - 10 | - | 1 | 2 | - |
| 10 - 15 | 4 | 5 | 9 | - |
| 15 - 20 | 11 | 2 | 13 | - |
| 20 - 25 | 5 | 3 | 7 | - |
| 25 - 30 | 3 | 1 | 6 | - |
| 30 - 35 | 1 | 1 | 4 | 1 |
| 35 - 40 | - | - | 4 | 6 |
| 40 - and over | - | - | - | 4 |
| | <u>24</u> | <u>13</u> | <u>46</u> | <u>11</u> |

DEATH BENEFITS

Death benefits in the form of monthly allowances may be payable to eligible dependents of policemen or firemen who die prior to retirement, as a result of injury or illness incurred in the performance of duty. Monthly allowances may be payable to eligible dependents of all employee members prior to retirement if the member was already qualified for service retirement. The beneficiary or estate of those not so qualified receives the member's accumulated contributions plus six months salary. This lump sum benefit may be taken in lieu of the allowance, if the eligible dependent so elects.

For the eligible dependents of those already retired, there is provision for continuation of part or all of the member's retirement allowance as a death benefit. Only those dependents of policemen or firemen who die as a result of injury or illness incurred in the performance of duty, or who die after retirement for industrial disability, are eligible to receive the full continuation. However, a member at retirement may elect to receive a reduced retirement allowance in order to provide for a lifetime allowance to a survivor. Two options are available to the member for this purpose. In addition to the above, named beneficiaries of retired employees receive a lump sum benefit of \$100 per year of service to a maximum of \$1,000.

INDUSTRIAL DEATH ALLOWANCES

Allowances by year to eligible dependents of member policemen and firemen who dies as a result of injury or illness incurred in the performance of duty were as follows:

| | |
|---------|----|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |

CONTINUATIONS OF ALLOWANCES - POLICE & FIRE

Continuations of retirement allowances by year to eligible dependents of retired policemen and firemen, or to member policemen or firemen qualified for service on the date of death, were as follows:

| | |
|----------|----|
| 1960--61 | 30 |
| 1961--62 | 31 |
| 1962--63 | 37 |
| 1963--64 | 34 |
| 1964--65 | 26 |
| 1965--66 | 31 |
| 1966--67 | 36 |
| 1967--68 | 41 |

A study was undertaken this year to determine the proportion of full continuances and of half continuances to widows of retired policemen and firemen. The study involved 57 deaths during the period July 1966 through January 1968. The results were as follows:

| | Full Continuances | | Half Continuances | |
|----------------------------|-------------------|-------------------|-------------------|-------------------|
| | Retired for | | Retired for | |
| <u>FIRE</u> | <u>Service</u> | <u>Disability</u> | <u>Service</u> | <u>Disability</u> |
| Old Fire (Section 169) | 16 | 12 | 0 | 0 |
| New Fire (Section 171.1) | 1 | 4 | 1 | 0 |
| | <u>17</u> | <u>16</u> | <u>1</u> | <u>0</u> |
| <u>POLICE</u> | | | | |
| Old Police (Section 166) | 0 | 0 | 1 | 1 |
| New Police (Section 168.1) | 2 | 4 | 13 | 2 |
| | <u>2</u> | <u>4</u> | <u>14</u> | <u>3</u> |

Thus 26% of the police continuances were continuations of the entire allowances, contrasted with 97% for fire continuances. Major revision of police and fire sections 168.1 and 171.1 effective July 1, 1968, provides for equal treatment of fire and police continuances.

CONTINUANCES - MISCELLANEOUS

Two additional rolls were established during 1967-68 (1) to provide for allowances to eligible dependents of miscellaneous members who died before retirement but after qualification for service retirement, and (2) to provide for allowances to eligible dependents of miscellaneous members who died after retirement.

As of June 30, 1968 the number and amount paid on each roll were as follows:

| | <u>Number</u> | <u>Monthly amount</u> |
|---|---------------|-----------------------|
| Allowances to dependents of members dying after qualification for service * (165.2) | 10 | \$2,020.03 |
| Allowances for dependents of retired employees ** (16.80) | 84 | 11,243.36 |

*Two of the 10 had an effective date during 1966-67. The beneficiary under this section may elect to receive, in lieu of the allowance, the member's contributions Plus 6 months salary in a lump sum.

**Thirteen of the 84 had an effective date during 1966-67. Twenty-one of the 84 were receiving an additional lifetime allowance under option selected by the member at retirement.

DEATHS PRIOR TO RETIREMENT BY YEARS OF SERVICE

To determine the average years of service of those members who die prior to retirement, a study was made of such deaths occurring during fiscal year 1966-67. The results were as follows:

| | <u>Number of Deaths</u> | <u>Average Years of Service</u> |
|-----------------------|-----------------------------|-------------------------------------|
| Miscellaneous members | 90 | 13.1 |
| Male | 62 | 13.6 |
| Female | 28 | 13.1 |
| Policemen | 7 | 24.3 |
| Firemen | <u>9</u> | 21.6 |
| | 106 | |

Although the number of members involved is small, it would seem that the average years of service of policemen and firemen at death is much greater than for miscellaneous members. Undoubtedly age at entry into the System is an important factor. 28% of the miscellaneous members who died prior to retirement had less than five years of service.

RETIREMENT AND DEATH BENEFITS TO MEMBERS AND BENEFICIARIES

FISCAL YEARS 1960-67

(THOUSANDS OF DOLLARS)

000'S OMITTED

| FISCAL YEAR | TOTAL | SERVICE RETIREMENTS | DISABILITY RETIREMENTS | INDUSTRIAL DEATH ALLOVANCES | DEATH BEFORE RETIREMENT | DEATH BENEFITS DEATH AFTER RETIREMENT |
|-------------|----------|------------------------|---------------------------|--------------------------------|----------------------------|---|
| 1960-61 | \$13,234 | \$ 8,684 | 2,812 | 871 | 591 | 276 |
| 1961-62 | 13,849 | 8,992 | 2,916 | 839 | 726 | 326 |
| 1962-63 | 14,514 | 9,285 | 3,117 | 981 | 766 | 345 |
| 1963-64 | 15,487 | 9,813 | 3,329 | 1,117 | 926 | 302 |
| 1964-65 | 16,345 | 10,352 | 3,595 | 1,182 | 798 | 418 |
| 1965-66 | 17,330 | 10,727 | 3,866 | 1,178 | 930 | 629 |
| 1966-67 | 18,326* | 11,365 | 4,211 | 1,246 | 1,045 | 459 |

* \$3,639,521 of \$18,325,830 came from members accumulated contributions.

Source: Annual Auditor's Report to the Controller.

WORKMEN'S COMPENSATION

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under Workmen's Compensation law of the State of California are administered by the Retirement Board through the Compensation Division of the Retirement System.

During fiscal year 1967-68 a total of 2,591 compensation cases were handled under which either weekly benefits, or medical expenses were paid. Approximately 1,575 additional cases were handled which were not of sufficient severity to require expense beyond first aid or clinic observation. As indicated below there was a 9.4% increase in compensation cases for which benefits or payments were made over 1965-66.

| | <u>1965-66</u> | <u>1966-67</u> | <u>1967-68</u> |
|--|----------------|----------------|----------------|
| Compensation cases: | | | |
| Weekly benefits or medical expenses paid | 2,368 | 2,416 | 2,591 |
| Cases handled requiring no expense beyond first aid or observation | <u>1,495</u> | <u>1,725</u> | <u>1,575</u> |
| TOTAL | 3,863 | 4,141 | 4,166 |

The following table based on the auditor's reports to the Controller illustrates the rising compensation costs:

| | <u>Medical Expenses</u> | <u>Weekly Benefits</u> | <u>Administrative Costs</u> | <u>Subrogation Recoveries and Reimbursements</u> |
|---------|-------------------------|------------------------|-----------------------------|--|
| 1962-63 | \$379,488 | \$331,309 | \$29,684 | \$300,528 |
| 1963-64 | 347,057 | 320,324 | 31,234 | 329,766 |
| 1964-65 | 372,858 | 409,885 | 32,671 | 352,318 |
| 1965-66 | 500,628 | 387,579 | 34,480 | 352,897 |
| 1966-67 | 558,421 | 417,178 | 44,022 | 372,875 |

Excluding subrogation recoveries and reimbursements from special funds, administrative costs have held steady at approximately 4% of cost.

A breakdown by department of cases handled during 1967-1968 was as follows:

| | <u>Total cases handled</u> | <u>Cases on which Payments were made</u> |
|----------------------|----------------------------|--|
| Police | 934 | 554 |
| Fire | 812 | 563 |
| Public Health | 696 | 292 |
| Municipal Railway | 506 | 394 |
| Education | 429 | 270 |
| Public Works | 219 | 150 |
| Recreation & Park | 169 | 104 |
| Water & Hetch Hetchy | 160 | 112 |
| Others | <u>241</u> | <u>152</u> |
| TOTAL | 4,166 | 2,591 |

November 1967 the San Francisco Chapter of the National Safety Council reported the number of disabling injuries per million man-hours of exposure by department for 1966-67, as follows: (Safety Council excludes certain conditions for which compensation payments are made).

| | <u>Average No. of Employees</u> | <u>Man-hours Worked</u> | <u>Number Disabling Injuries</u> | <u>Disabling injuries per million man-hours exposure</u> |
|---|---------------------------------|-------------------------|----------------------------------|--|
| Fire..... | 1,703 | 4,325,922 | 453 | 104.72 |
| Police..... | 2,037 | 5,154,054 | 502 | 97.40 |
| Purchaser..... | 215 | 397,344 | 22 | 55.37 |
| Public Utilities..... | 4,057 | 7,707,966 | 332 | 43.07 |
| Recreation-Park..... | 1,418 | 2,015,471 | 64 | 31.75 |
| Public Health..... | 3,512 | 5,901,714 | 174 | 29.48 |
| Public Works..... | <u>1,797</u> | <u>3,096,426</u> | <u>88</u> | <u>28.42</u> |
| TOTAL ALL DEPTS. (excluding Police, Fire & Utilities) | 19,067 | 29,042,105 | 484 | 16.67 |

Selected departments or subdivisions showing the greatest injury severity rates (i.e., number of calendar days lost per million-hours of exposure) was reported by the S.F. Chapter of the National Safety Council as follows:

| | <u>1966-67</u> | <u>1965-66</u> |
|--------------------------|----------------|----------------|
| Fire Department..... | 10,804 | 18,977 |
| Police Department..... | 6,464 | 9,369 |
| Municipal Railway..... | 987 | 1,002 |
| Public Works | | |
| Building Repair..... | 697 | 9,410 |
| Street Repair..... | 901 | 2,631 |
| Street Cleaning..... | 1,062 | 719 |
| Sewer Repair..... | 322 | 1,006 |
| Public Health | | |
| Emergency Hospitals..... | 1,237 | 2,080 |
| Purchasing | | |
| Central Shops..... | 1,611 | 1,108 |

It should be noted that these frequency and severity rates should not be used as a basis of comparison between municipalities since the definitions and inclusions upon which they are based may vary from place to place.

The Retirement System maintains a Ward (Ward 45) at the San Francisco General Hospital for the treatment of industrial disabilities. Patients are referred to other wards for specialized care when necessary. There were 461 patients admitted during 1967-68. Pertinent statistics for 1967-68 are summarized below.

| <u>In-patient ward charges</u> | <u>Days or Units</u> | <u>Unit Cost</u> | |
|--------------------------------|----------------------|------------------|-------------|
| Ward 45 | 3278 days | \$24.50 day | \$80,311.00 |
| ICU, CCU, and Ward 62 | 87 " | 179.81 " | 15,643.47 |
| Ward 23 | 2 " | 75.31 " | 150.62 |
| Ward 73 | 16 " | 50.12 " | 801.92 |
| Ward 33 | 4 " | 24.50 " | 98.00 |
| TOTAL | 3387 days | | \$97,005.01 |

Other Services (S.F.G.H.)

| | | | |
|-------------------------|------|-------------|--------------|
| Prescriptions | 695 | \$2.50 | \$1,737.50 |
| Special Prescriptions | | | 226.95 |
| Physical Therapy Treat. | 443 | 5.00 | 2,215.00 |
| Electrocardiograms | 384 | 7.50 | 2,880.00 |
| X-rays | 9538 | 2.00 | 19,076.00 |
| Surgery (hours) | 211 | 30.76 | 6,490.36 |
| Blood (pints) | 76 | 25.00 | 1,900.00 |
| | | SUB-TOTAL | \$34,525.81 |
| | | GRAND TOTAL | \$131,530.82 |

| | 63/64 | 64/65 | 65/66 | 66/67 | 67/68 |
|---|----------------|----------------|----------------|----------------|----------------|
| Physical Therapy | \$ 65,285.00 | \$ 46,000.00 | \$ 57,784.00 | \$ 53,744.00 | \$ 55,926.14 |
| Medical Roll Phy, Drugs, etc. | 185,326.37 | 210,976.58 | 274,256.56 | 341,340.74 | 355,260.73 |
| S.F.G.H. | 93,148.80 | 98,701.92 | 138,457.69 | 115,269.60 | 131,496.32 |
| Misc. Emp. Comp. Pay | 320,059.81 | 378,725.97 | 389,015.42 | 421,060.85 | 521,299.49 |
| S.F.G.H., Phys, 3pm-10am | 25,200.00 | 25,200.00 | 25,200.00 | 25,200.00 | 25,200.00 |
| S.F.G.H., Phys, 10am-3pm | 23,565.36 | 25,370.76 | 26,590.84 | 28,109.16 | 33,632.13 |
| Rest Homes | - | - | 2,506.30 | 1,272.35 | 3,150.00 |
| Subpoena Fees | 576.00 | 480.00 | 397.00 | 316.60 | 356.00 |
| Copy Fees | 100.00 | 100.00 | - | - | - |
| Administrative Salaries | 45,475.56 | 45,263.97 | 47,241.11 | 52,775.41 | 72,494.56 |
| Investigators Salaries | 20,046.23 | 17,808.00 | 19,356.00 | 12,796.70 | 17,888.00 |
| Sub Total: | \$779,783.13 | \$848,627.20 | \$980,804.92 | \$1,051,885.41 | \$1,221,503.37 |
| Subrogation Recoveries: | -38,721.94 | -83,328.72 | -54,261.86 | -102,963.38 | -61,520.76 |
| GRAND TOTAL: | \$741,061.19 | \$765,298.48 | \$926,543.06 | \$ 948,922.03 | \$1,159,982.61 |
| Disability Leave Pay (Individual Dept Cost - Authorized by R/S) | | | | | |
| Police | 385,237.38 | 406,270.74 | 519,619.16 | 684,383.51 | 665,545.00 |
| Fire | 432,089.11 | 485,390.90 | 548,619.16 | 541,093.51 | 524,814.00 |
| | \$1,558,367.68 | \$1,656,960.12 | \$1,994,781.38 | \$2,174,399.05 | \$2,350,341.61 |

The activities of the investigative section of the Compensation Division for the fiscal year 1967-1968 as compared to the preceding four years were as follows:

| | 63/64 | 64/65 | 65/66 | 66/67 | 67/68 |
|---------------------------------|-----------|-----------|-----------|------------|-----------|
| <u>Investigations Completed</u> | | | | | |
| Industrial Cases | | | | | |
| Administrative | 131 | 113 | 130 | 157 | 182 |
| I. A. C. | 37 | 59 | 44 | 48 | 72 |
| Board | 72 | 99 | 128 | 124 | 123 |
| Retired Earnings | 139 | 99 | 108 | 100 | 114 |
| Misc. Investigations | <u>11</u> | <u>68</u> | <u>95</u> | <u>131</u> | <u>19</u> |
| Total Investigations | 390 | 438 | 505 | 560 | 514 |

Miscellaneous Assignments

| | | | | | |
|-------------------------|----------|----------|----------|----------|----------|
| Subpoenas Served | 110 | 197 | 252 | 248 | 253 |
| Copy Assignments | - | 20 | 35 | 56 | 83 |
| Photo Assignments | <u>-</u> | <u>-</u> | <u>1</u> | <u>3</u> | <u>-</u> |
| Total Misc. Assignments | 110 | 217 | 288 | 307 | 336 |

Case Savings

| | | | | | |
|---------------|---------------|---------------|---------------|--------------|------------|
| Industrial | \$225,060 | \$229,100 | \$59,500 | \$221,100 | \$33,350 |
| Overearnings | <u>30,538</u> | <u>17,843</u> | <u>10,266</u> | <u>3,195</u> | <u>378</u> |
| Total Savings | \$255,598 | \$246,943 | \$69,766 | \$224,295 | \$33,728 |

Under the provisions of Charter Sections 168.1 and 171.1, effective July 1, 1968, there will no longer be any reduction in retirement allowances, as a result of over-earnings by retired policemen and firemen.

Comparison of expenditures for all appropriations other than those for personal services, with original budget appropriations for 1967-1968.

| | <u>Original Budget</u> | <u>Expenditures</u> | |
|---|----------------------------|---------------------|-----|
| 200 Contractual Services..... | \$ 28,836 | 35,580 | (1) |
| 300 Materials and Supplies..... | 6,089 | 5,501 | |
| 400 Equipment..... | 600 | 582 | |
| 800 Fixed Charges..... | 15,290 | 12,889 | |
| 815 Accident Compensation..... | 935,053 | 1,211,678 | (1) |
| 860 Retirement Allowances | | | |
| General Fund..... | 13,704,376 | 13,179,536 | |
| Special Funds | 4,602,053 | 3,193,669 | (*) |
| 900 Services of Other Departments (EDF Program)..... | 88,716 | 96,165 | (1) |

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

(*) Amount is net after deduction of \$3,000,000 credit to San Francisco Unified School District.

Retirement Allowance expenditures actual for first six months, estimated for second six months.

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DOCUMENTS

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CITY AND COUNTY OF SAN FRANCISCO

EMPLOYEES' RETIREMENT SYSTEM

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
ANNUAL REPORT 1968-69

ADMINISTRATION

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922.

The system is administered by the Retirement Board consisting of seven members: President of the Board of Supervisors, three active members of the system elected by the membership, and three members appointed by the Mayor, who shall either hold a degree of doctor of medicine or shall be experienced in life insurance, actuarial science, employee pension planning, or investment portfolio management. Each member appointed by the Mayor shall be from among a list of three names submitted by a committee consisting of two members each of the San Francisco Medical Society, Bar Association, Real Estate Board, and the Chamber of Commerce; no more than one doctor may serve on the Board at any one time.

Members of the Retirement Board as of June 30, 1969 were Philip J. Kearney, president, Warren De Merritt, vice-president, and John Simpson, elected by the membership; John O'Meara, Warren Johnson, and John Lawry, appointed by the Mayor; and John A. Ertola, President of the Board of Supervisors.

To aid in the administration of the system, the Retirement Board appoints an Actuary and a Secretary-General Manager. The Actuary holds his office at the pleasure of the Board. The latter is the Retirement System General Manager and is subject to the Civil Service provisions of the Charter. The General Manager has jurisdiction over approximately 56 permanent employees divided into five divisions namely, Administration, Investment, Accounting, Actuarial and Workmen's Compensation.

The electorate passed three major Charter changes during the year. Proposition O, passed on June 4, 1968, provided for an extensive revision in Sections 168.1 and 171.1 of the Charter, liberalizing retirement benefits for policemen and firemen. Proposition I, passed on June 4, 1968, added Charter Section 164.1 to provide for retroactive as well as annual cost-of-living adjustments in retirement and death allowances to 1977. Proposition E, passed November 5, 1968, amended those Charter Sections relating to the Retirement Board, investment expenses, actuarial valuations and investigations, cost-of-living adjustments of allowances, retirement benefits of miscellaneous employees and elimination of the Social Security offset.

During fiscal year 1968-69, 180 hearings of applicants or their representatives were held in 41 meetings of the Retirement Board. Applications granted and denied during the year were as follows:

| <u>Disability Industrially Incurred - Police and Fire only</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Retirements | 59 | 2 |
| Determination only | 32 | 1 |
| Monthly death benefit | 13 | 0 |
| Payment of self-incurred medical bills | 20 | 4 |

The cost to the City for payment of self-incurred medical bills was \$18,554.28.

| <u>Ordinary Disability Retirements</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Police and Fire | 0 | 0 |
| Other | 44 | 1 |

In addition to the above the Board must consider and pass on numerous staff activities, including the investment of Retirement System funds and the appropriation and transfer of funds for the administration of the System.

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation law of the State of California are administered by the Retirement Board through the Compensation division of the Retirement System. To provide medical diagnosis and treatment of industrial injuries and illnesses, a separate ward is maintained at San Francisco General Hospital for this purpose. Other physician-specialists are utilized as needed as well as physical therapy facilities outside the hospital. Claims processing, payment of medical benefits, and provision for weekly benefits are accomplished through a clerical and professional office staff at 450 McAllister Street. Implementation of any changes in the State law is provided by this division, the City Attorney, and the Workmen's Compensation Appeals Board of the State of California.

On November 5, 1968, the electorate passed Proposition O changing Section 168.1.3 of the Charter which granted any member of the Police Department who became incapacitated for the performance of his duty by reason of bodily injury received in, or illness caused by performance of duty, a retirement allowance equal to seventy-five percent of the final compensation. Section 168.1.5 now states that the percentage of disability shall be as determined by the Workmen's Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five (5) affirmative votes, adjust the percentage of disability as allowance shall be in an amount not less than fifty percent nor more than ninety percent of the final compensation of said member.

Section 159 of the Charter gives the Retirement Board exclusive control of the administration and investment of Retirement System funds derived from

contributions of member employees and from contributions of the City and County. These funds now total approximately \$400,000,000. The investment of these funds is a great responsibility since the goal of such investment is to obtain maximum yield without jeopardizing the principal upon which the retirement benefits of City and County employee members are dependent. There is a direct relationship between the yield on investments and size of employee and City contributions required to meet the expense of retirement benefits. The Controller and the Treasurer act jointly as custodian for securities owned, and the Controller must ascertain that purchases by the Retirement Board are as required in Section 159 of the Charter.

Eligibility for Retirement or Death benefits is determined by the Retirement Board, utilizing recommendations from the Actuarial Division and the Administrative Division. Provision of such benefits as directed by the Retirement Board are processed by the Actuarial Division staff. A principal attorney from the City Attorney's Office is available to the Board at each meeting and to Retirement System staff to assist in determination of eligibility as defined in the Charter and Administrative Code of the City and County of San Francisco.

Actuarial valuations of the System are a joint effort of the Retirement System's Actuarial Division and an outside actuarial firm employed under contract. There is a close working relationship between this firm and the Retirement System for the purpose of determining the cost of new legislation and the implementation of new legislation, as well as for the purpose of recommending contribution rates after actuarial valuations of the System's mortality and financial status.

The accounting division provides the bookkeeping of the Retirement System, auditing the payrolls, acting as custodian of payrolls for the City and County, as well as keeping a record of contributions to the System, and the additional and disbursement of funds. This division administers the disbursement of funds for the administration of the Retirement System, constructs the annual budget document, and provides for the payroll and purchase of supplies and equipment for administration of the System. The Controller annually audits the books of the System. The result of this audit is published annually.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a steady increase. The number of active members as of June 30, 1969 was 25,984.

SOCIAL SECURITY COVERAGE OF MEMBERS

Proposition E, passed by the voters November 5, 1968, eliminated the Social Security offset. Those employees who had not previously elected to be covered by Social Security were subsequently given an opportunity under a fifth election to be covered under Social Security. All members of the Retirement System, except those who elected not to be covered under the fifth election, policemen, and firemen, must contribute to Social Security. Those members covered by Social Security may, however, reduce their contribution into the Retirement fund by an amount equal to the Social Security payment less the medicare portion.

CONTRIBUTIONS

Both the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction based on rates effective on July 1, 1964 as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are:

| <u>Nearest Age at Entry into the system</u> | <u>MALE</u> | <u>FEMALE</u> |
|---|-------------|---------------|
| 20 | 5.01% | 5.45% |
| 30 | 5.80% | 6.45% |
| 40 | 6.82% | 7.48% |
| 50 | 8.10% | 8.89% |

The City and County contributed to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | | |
|-------------------|-----------|---------|
| Police Department | (168.1) | 15.798% |
| Fire Department | (171.1) | 12.791% |
| Miscellaneous | (165.2) | 5.166% |
| Miscellaneous | (16.70-1) | 4.62% |

The City and County also made contributions for payment of prior and current service benefits for policemen retired under sections 166 and 167, firemen retired under sections 169 and 170, and for others, including matching funds for miscellaneous employees retired under section 165.

The City and County has contributed to the Retirement fund amounts based on the following rates:

| <u>Effective Date</u> | <u>165.2</u> % | <u>Police</u> <u>168.1</u> % | <u>Fire</u> <u>171.1</u> % |
|------------------------|-------------------|------------------------------------|----------------------------------|
| July 1947 | 11.34 | 17.47 | |
| July 1949 | 11.34 | 26.85 | 17.98 |
| Nov. 1949 | 11.648 | 26.85 | 17.98 |
| Jan. 1950 | 12.162 | 26.85 | 17.98 |
| Nov. 1950 | 12.207 | 26.85 | 17.98 |
| Dec. 1950 | 12.259 | 26.85 | 17.98 |
| Feb. 1952 | 12.306 | 26.85 | 17.98 |
| Apr. 1952 | 12.306 | 27.691 | 17.98 |
| Feb. 1953 | 12.615 | 27.691 | 17.98 |
| July 1953 (Billing) | 12.553 | 21.062 | 21.662 |
| Apr. 1956 (Billing) | 12.724 | 21.576 | 21.662 |
| Feb. 1957 (Billing) | 12.898 | 19.714 | 27.775 |
| July 1957 | 12.898 | 19.714 | 27.775 |
| July 1957 (Billing) | 12.377 | 18.112 | 25.580 |
| Oct. 1959 | 11.412 | 18.112 | 25.580 |
| Nov. 1959 | 10.508 | 18.112 | 25.580 |
| Mar. 1960 | 10.458 | 18.112 | 25.580 |
| Apr. 1960 | 10.411 | 18.112 | 25.580 |
| July 1961 | 6.236 | 17.268 | 15.802 |
| Mar. 1964 | 6.277 | 17.268 | 15.802 |
| July 1964 to June 1969 | 5.166 | 15.798 | 12.791 |

WITHDRAWAL OF CONTRIBUTIONS

Withdrawals for 1968-69 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|--|---------------|------------------|----------------|
| Miscellaneous (excluding teachers) . . . | 1,162 | \$1,662,047.20 | \$1,430.33 |
| Teachers | 376 | 1,281,303.14 | 3,407.72 |
| Policemen | 22 | 54,373.59 | 2,471.52 |
| Firemen | 0 | 0 | 0 |
| Adjustments | .520 | <u>50,953.35</u> | <u>97.98</u> |
| TOTALS: 2,080 | | \$3,048,677.28 | \$1,465.71 |

Teachers, unlike other employees, have the option of retiring either under the State Teachers' Retirement System or under the City and County Employees' Retirement System.

Many teachers each year withdraw their contributions prior to retirement in order to retire under the State System.

INVESTMENT POLICY

I. INTRODUCTION

The Retirement System was established April 1, 1922, under Article XVII, of the Charter adopted November 2, 1920. This Charter provided that "The Board of Administration shall have exclusive control of the administration and investment of such fund or funds as may be established." The broad powers of the Board were limited by Section 159 of the new Charter adopted January 8, 1932, which gave the Retirement Board "exclusive control of the administration and investment of such fund or funds as may be established, provided that all investments shall be of the character legal for insurance companies in California."

II. MANAGEMENT OF PORTFOLIO

Funds are committed as they become available or in anticipation of receipt. Once money deposited with the City and County Treasurer becomes available for investment, long-term securities are purchased by the Board. Long range investment objectives may be pursued because new contributions, which are received monthly, exceed the necessary disbursements. Consequently, the ability to liquidate investments on short notice to meet benefit payments or withdrawals is not of major importance.

The Controller requires that every purchase be approved by the Board, before a warrant can be issued in payment for securities.

Any security which would be a legal investment may be presented to the Board for specific approval. It will be noted that the Retirement Board has approved private placements of utility bond, (which are not rated by Moody's), industrial bonds, bonds guaranteed by a Canadian province, conditional sale agreements for railroad equipment, and bonds issued by United States Government agencies.

The Treasurer and Controller of the City and County of San Francisco jointly act as custodians for the securities owned by the System. The bonds are stored in a joint custody vault in the Treasurer's Office.

On the few occasions when securities have been sold, it has been the practice to request bids from several investment banking firms or banks, and award the bonds to the highest bidder.

Interest is received on investments and credited to the Retirement Fund as it falls due. All coupons are clipped by the Treasurer's office and, under a resolution adopted sometime ago by the Retirement Board, are transmitted to the Bank of America for collection, except San Francisco coupons. Checks for interest on registered bonds are received directly from the paying agent of the issuer and are deposited immediately with the Treasurer. Bonds sold or called are handled as to collection in the same manner as interest collected.

At its meeting of January 15, 1969, the Retirement Board passed a resolution establishing the policy of purchasing common and preferred stock as well as Bonds. The Bank of America and Dodge and Cox are the consultants to the Retirement System. The total stock purchased from April to June 1969 was \$9,784,862.00 and the dividends paid were \$21,367.00.

Attached is a copy of the Bond Data Report as of December 31, 1968.

BOND DATA REPORT

RECAPITULATION

DECEMBER 31, 1968

| | PRINCIPAL AMOUNT | OPENING BOOK VALUE 7/1/68 | ACCRUED INTEREST | AMORTIZ | ACCUM | CLOSING BOOK VALUE 12/31/68 |
|--|---------------------|------------------------------------|---------------------|-----------|-----------|--------------------------------------|
| U S GOVERNMENT OBLIGATIONS | | | | | | |
| U S TREASURY BONDS | 35,880,000 | 35,657,651.62 | 353,234.50 | 622.53 | 3,523.93 | 35,660,552.92 |
| GOVERNMENT AGENCIES & CORPORATIONS | | | | | | |
| FEDERAL NATIONAL MORTGAGE ASSOC BONDS | 5,180,000 | 5,158,737.16 | 86,127.27 | 78.90 | 607.43 | 5,159,265.69 |
| TENNESSEE VALLEY AUTHORITY | 3,000,000 | 2,985,630.01 | 47,497.20 | | 277.18 | 2,985,907.19 |
| GOVERNMENT GUARANTEED OBLIGATIONS | 265,000 | 265,000.00 | 1,932.20 | | | 265,000.00 |
| CANADIAN OBLIGATIONS | 500,000 | 458,277.28 | 4,583.30 | | 2,988.02 | 461,265.30 |
| DOMINION OF CANADA | | | | | | |
| CANADIAN PROVINCES | | | | | | |
| BRITISH COLUMBIA | 500,000 | 500,000.00 | 10,951.30 | | | 500,000.00 |
| ONTARIO | 4,319,000 | 4,291,571.64 | 27,346.90 | | 204.79 | 4,291,776.43 |
| QUEBEC | 6,115,000 | 6,027,719.82 | 129,486.50 | | 1,468.11 | 6,029,187.93 |
| U S STATE & MUNICIPAL OBLIGATIONS | | | | | | |
| STATE OBLIGATIONS | | | | | | |
| CALIFORNIA MUNICIPAL OBLIGATIONS | 2,031,000 | 2,025,229.26 | 12,249.43 | 553.74 | 2,105.75 | 2,026,781.27 |
| OUT OF STATE MUNICIPALS | | | | | | |
| OHIO | 396,000 | 368,944.97 | 1,320.00 | | 3,092.99 | 372,037.96 |
| PENNSYLVANIA | 1,287,000 | 1,231,030.39 | 12,352.51 | 614.55 | 5,689.86 | 1,236,105.70 |
| WASHINGTON | 610,000 | 571,406.40 | 1,016.60 | | 4,806.86 | 576,213.24 |
| AUTHORITIES SPECIAL DISTRICTS TOLL RDS | 303,000 | 343,861.98 | 4,132.29 | 1,190.91 | | 342,671.07 |
| PUBLIC UTILITY COMPANY BONDS | | | | | | |
| ELECTRIC COMPANY BONDS | 101,546,000 | 101,080,150.16 | 1,147,433.49 | 11,816.81 | 26,161.87 | 101,094,503.22 |
| GAS DISTRIBUTION COMPANY BONDS | | | | | | |

| | | | | | | |
|--|-------------|----------------|--------------|-----------|------------|----------------|
| GAS & ELECTRIC COMPANY BONDS | 7,916,000 | 7,943,796.11 | 71,559.54 | 8,075.98 | 9,016.76 | 72,725,569.03 |
| TELEPHONE COMPANY BONDS | 77,732,000 | 77,837,651.85 | 923,318.60 | 8,817.64 | 19,909.20 | 77,908,743.41 |
| GAS PIPELINE COMPANY BONDS | 5,828,000 | 5,817,714.87 | 92,508.14 | 851.07 | 349.69 | 5,817,213.49 |
| WATER COMPANY BONDS | 2,995,000 | 2,995,000.00 | 39,547.80 | | | 2,995,000.00 |
| RAILROAD COMPANY BONDS | | | | | | |
| RAILROAD BONDS | 1,736,000 | 1,711,269.56 | 24,992.13 | 245.71 | 367.39 | 1,711,391.24 |
| TERMINAL BONDS | 2,429,000 | 2,328,704.78 | 18,323.63 | 34.20 | 4,327.03 | 2,332,997.61 |
| EQUIP TRUST CTFS & COND SALES AGREEMEN | 26,643,895 | 26,437,131.27 | 363,841.10 | 731.67 | 12,123.04 | 26,448,522.64 |
| INDUSTRIAL COMPANY BONDS | 800,000 | 800,000.00 | 9,083.30 | | | 800,000.00 |
| CHEMICAL COMPANY BONDS | 4,621,137 | 4,560,658.18 | 43,311.52 | 230.01 | 2,707.11 | 4,563,135.28 |
| CONTAINER COMPANY BONDS | 200,000 | 185,374.47 | 625.00 | | 235.55 | 185,610.02 |
| ELECTRICAL EQUIPMENT | 4,085,000 | 4,085,176.65 | 39,884.64 | 149.69 | 102.51 | 4,085,129.47 |
| FOOD & MEAT PACKING COMPANY BONDS | 2,850,000 | 2,852,597.22 | 19,791.54 | 248.16 | 139.78 | 2,852,488.84 |
| INDUSTRIAL COMPANY BONDS | 1,000,000 | 1,000,000.00 | 22,430.50 | | | 1,000,000.00 |
| METALS - NON-FERROUS | 1,416,000 | 1,379,429.44 | 14,862.50 | | 842.89 | 1,380,272.33 |
| PAPER & PAPERBOARD COMPANY BONDS | 455,000 | 441,216.01 | 1,658.80 | | 186.47 | 441,402.48 |
| PETROLEUM COMPANY BONDS | 11,050,000 | 10,966,142.02 | 106,578.90 | 412.67 | 2,256.71 | 10,967,986.06 |
| RAILROAD EQUIPMENT COMPANY BONDS | 2,674,000 | 2,676,381.02 | 39,914.65 | 56.56 | | 2,676,324.46 |
| RETAIL TRADE COMPANY BONDS | 1,823,000 | 1,794,842.92 | 18,375.10 | | 803.76 | 1,795,646.68 |
| RUBBER & TIRE COMPANY BONDS | 1,250,000 | 1,241,796.96 | 26,562.50 | | 131.49 | 1,241,928.45 |
| STEEL & IRON COMPANY BONDS | 3,958,000 | 3,938,148.59 | 42,298.02 | 122.92 | 401.12 | 3,938,426.79 |
| FINANCIAL | | | | | | |
| FINANCE COMPANIES | 1,967,000 | 1,941,250.33 | 15,001.20 | | 601.05 | 1,941,851.38 |
| BANKS | 3,710,000 | 3,710,000.00 | 20,503.30 | | | 3,710,000.00 |
| INTERNATL BANK RECONSTRUCTION DEVEL | 3,800,000 | 3,791,880.19 | 68,656.27 | 76.10 | 58.22 | 3,791,862.31 |
| MISCELLANEOUS BONDS | 947,958 | 941,516.69 | 10,664.50 | | 88.93 | 941,605.62 |
| TOTAL | 406,529,990 | 405,067,526.27 | 4,599,061.39 | 35,807.10 | 166,373.14 | 405,198,092.31 |

RETIREMENT ALLOWANCES AND DEATH BENEFITS

ALLOWANCES

As of June 30, 1969, there were 6,692 allowances being paid, totaling \$1,899,960.02, and averaging \$285.20 per allowance, as follows:

| | <u>Number of</u> <u>Allowances</u> | <u>Amount</u> <u>Total</u> | <u>Average</u> |
|-------------------|---------------------------------------|-------------------------------|-----------------|
| <u>SERVICE</u> | | | |
| Miscellaneous | 3982 | \$913,823.32 | \$229.49 |
| Fire | 534 | 255,174.99 | 477.86 |
| Police | 452 | 145,463.19 | 321.82 |
| <u>DISABILITY</u> | | | |
| Miscellaneous | 684 | 122,579.24 | 178.33 |
| Fire | 336 | 154,241.14 | 459.05 |
| Police | 458 | 186,252.05 | 406.66 |
| <u>DEATH</u> | | | |
| Fire | 121 | 53,668.36 | 568.24 |
| Police | <u>125</u> | <u>68,757.73</u> | <u>429.35</u> |
| TOTAL: | <u>6,692</u> | <u>\$1,899,960.02</u> | <u>\$285.20</u> |

The number and amount of monthly allowances as of the end of the year were as follows:

| | <u>Number of Allowances</u> | <u>Monthly Amount</u> |
|---------|-----------------------------|-----------------------|
| 6/30/60 | 5,363 | \$996,919.79 |
| 6/30/61 | 5,425 | 1,027,781.17 |
| 6/30/62 | 5,532 | 1,081,763.46 |
| 6/30/63 | 6,033 | 1,123,970.63 |
| 6/30/64 | 5,793 | 1,207,216.26 |
| 6/30/65 | 5,963 | 1,289,582.02 |
| 6/30/66 | 6,048 | 1,340,830.47 |
| 6/30/67 | 6,213 | 1,444,592.34 |
| 6/30/68 | 6,431 | 1,540,033.89 |
| 6/30/69 | 6,692 | 1,899,960.02 |

SERVICE RETIREMENTS 1968-69

| | |
|-------------------------------------|-------|
| MISCELLANEOUS | 296 |
| POLICE | 56 |
| Section 168.1 = 49 | |
| Section 166 = 7 | |
| FIRE | 44 |
| Section 171.1 = 38 | |
| Section 169 = 6 | |
| | <hr/> |
| TOTAL SERVICE RETIREMENTS 1968-69 : | 396 |

DISABILITY RETIREMENTS 1968-69

| | |
|--|-----|
| MISCELLANEOUS | 44 |
| Average age = 52; range 41-61 years | |
| Average years of service = 18; range 10-31 years | |
| POLICE | 48 |
| Industrial Disability = 48 | |
| Section 168.1 = 46 | |
| Section 166 = 2 | |
| Qualified for service = 9 | |
| Not qualified for service = 39 | |
| FIRE | 11 |
| Industrial Disability = 11 | |
| Section 171.1 = 7 | |
| Section 169 = 4 | |
| Qualified for service = 7 | |
| Not qualified for service = 4 | |
| TOTAL DISABILITY RETIREMENTS 1968-69 : | 103 |

The industrial injuries or illnesses for which these 59 firemen and policemen were retired during 1968-69 may be classified as follows:

| | <u>Number</u> | <u>Percent</u> |
|--|---------------|----------------|
| Heart and vascular system.. | 13 | 22 |
| Back | 25 | 42 |
| Injuries to lower extremities | 7 | 12 |
| Injuries to upper extremities | 3 | 5 |
| Injuries to other parts of the body | 6 | 10 |
| Emotional Illness | <u>5</u> | <u>9</u> |
| | 59 | 100% |

TOTAL RETIREMENTS FOR SERVICE AND DISABILITY FOR 1964-69 :

| <u>Year</u> | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|-------------|--------------|----------------|-------------------|
| 1964-1965 | 408 | 335 | 73 |
| 1965-1966 | 371 | 280 | 91 |
| 1966-1967 | 419 | 326 | 93 |
| 1967-1968 | 387 | 293 | 94 |
| 1968-1969 | 499 | 396 | 103 |

YEARS OF SERVICE AT RETIREMENT

Of those retiring for service during 1968-69, the median years of service for miscellaneous employees was 23 years, whereas the median was 34 years for policemen and firemen.

Credited Years of Service Prior to Service Retirement City and County of San Francisco Retirement System Fiscal Year 1968-69

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> |
|-----------------------------|----------------------|---------------|------------------------|
| | <u>Male</u> | <u>Female</u> | |
| 0-4 | 1 | 0 | - |
| 5-9 | 8 | 9 | - |
| 10-14 | 20 | 18 | - |
| 15-19 | 37 | 16 | - |
| 20-24 | 37 | 24 | - |
| 25-29 | 31 | 15 | 12 |
| 30-34 | 31 | 9 | 48 |
| 35-39 | 20 | 12 | 30 |
| 40 and over | <u>3</u> | <u>5</u> | <u>10</u> |
| | 188 | 108 | 100 |

Credited Years of Service Prior to Disability Retirement City and County of San Francisco Retirement System Fiscal Year 1968-69

Of those retiring for disability, the median year for miscellaneous employees was about 20 years of service, and the median for police and fire was between 20 and 25 years of service. For policemen and firemen under the old sections of the Charter, the median was between 35 and 40 years. It is of interest to note that many more policemen and firemen retired for disability than did miscellaneous members, although there are many more miscellaneous members in the Retirement System. However, policemen and firemen suffer more disabling injuries per million man-hours of exposure than the average miscellaneous employee.

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> | |
|-----------------------------|----------------------|---------------|------------------------|--------------------|
| | <u>Male</u> | <u>Female</u> | <u>Non-fluctuating</u> | <u>Fluctuating</u> |
| 0-4 | 0 | 0 | 1 | - |
| 5-9 | 0 | 0 | 7 | - |
| 10-14 | 11 | 2 | 9 | - |
| 15-19 | 6 | 5 | 14 | - |
| 20-24 | 7 | 6 | 10 | - |
| 25-29 | 4 | 0 | 2 | - |
| 30-34 | 0 | 2 | 6 | - |
| 35-39 | 0 | 0 | 2 | 3 |
| 40 and over | 1 | 0 | 2 | 3 |
| | <u>29</u> | <u>15</u> | <u>53</u> | <u>6</u> |

AGE AT RETIREMENT

Of those members retiring for service during 1968-69, about 14% of the miscellaneous members and 50% of the policemen and firemen were under 60 years of age at retirement. Miscellaneous members receive a discounted allowance under age 60 whereas policemen and firemen are discounted at an earlier age. About 47% of the miscellaneous members had attained age 65 at retirement, as contrasted with only 10% of policemen and firemen.

Of those members retiring for disability during 1968-69, 50% of the miscellaneous members and 79% of the policemen and firemen were under age 55.

Age at Retirement
Miscellaneous Employees
City and County of San Francisco Retirement System
Fiscal Year 1968-69

SECTION 165.2*

| <u>Retirement Age</u> | <u>Service</u> | <u>Disability</u> |
|-----------------------|----------------|-------------------|
| Under 55 | -- | 22 |
| 55-59 | 21 | 21 |
| 60-64 | 135 | 1 |
| 65- | <u>140</u> | <u>0</u> |
| | 296 | 44 |

*There were 7 Section 165 miscellaneous members retired during fiscal year 1968-69 not included in this table.

Police & Fire
Non-fluctuating allowances
(Sections 168.1 & 171.1)

| | | |
|----------|----------|----------|
| Under 50 | -- | 41 |
| 50-54 | 10 | 1 |
| 55-59 | 33 | 5 |
| 60-64 | 40 | 6 |
| 65 | <u>4</u> | <u>0</u> |
| | 87 | 53 |

Fluctuating Allowances
(Sections 168 & 169)

| | | |
|---------|----------|----------|
| 60-65 | <u>4</u> | <u>1</u> |
| Over 65 | <u>9</u> | <u>5</u> |
| | 13 | 6 |

DEATH BENEFITS

Death benefits in the form of monthly allowances may be payable to eligible dependents of policemen and firemen who die prior to retirement, as a result of injury or illness incurred in the performance of duty. Monthly allowances may be payable to eligible dependents of all employee members prior to retirement if the member was already qualified for service retirement. The beneficiary or estate of those not so qualified receives the member's accumulated contributions plus six months salary. This lump sum benefit may be taken in lieu of the allowance, if the eligible dependent so elects.

For the eligible dependents of those already retired, there is provision for continuation of part or all of the member's retirement allowances as a death benefit. Only those dependents of policemen and firemen who die as a result of injury or illness incurred in the performance of duty, or who die after retirement for industrial disability, are eligible to receive the full continuation. However, a member at retirement may elect to receive a reduced retirement allowance in order to provide for a lifetime allowance to a survivor. Two options are available to the member for this purpose. In addition to the above, named beneficiaries of retired employees receive a lump sum benefit of \$100 per year of service to a maximum of \$1000.

INDUSTRIAL DEATH ALLOWANCES

Allowances by year to eligible dependents of member policemen and firemen who die as a result of injury or illness incurred in the performance of duty were as follows:

| | |
|---------|----|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |
| 1968-69 | 13 |

The Retirement System maintains a Ward (Ward 45) at the San Francisco General Hospital for the treatment of industrial disabilities. Patients are referred to other wards for specialized care when necessary. There were 400 patients admitted during 1968-69. Pertinent statistics for 1968-69 are summarized below.

| <u>In-patient ward charges</u> | <u>Days or Units</u> | <u>Unit Cost</u> | |
|--------------------------------|----------------------|------------------|--------------|
| Ward 45 | 3110 days | \$ 54.00 day | \$167,940.00 |
| Ward 11 & 33 | 110 " | 210.95 " | 23,204.50 |
| Ward 73 (1967-68 charge) | 93 " | 50.12 " | 4,661.16 |
| Ward 72 & 73 | 86 " | 58.69 " | 5,047.34 |
| Ward 62 | 36 " | 193.42 " | 7,143.12 |
| Ward 12 | 4 " | 122.32 " | 489.28 |
| Ward 14 (1967-68 charge) | 8 " | 86.00 " | 688.00 |
| Ward 14 | 1 " | 93.48 " | 93.48 |
| Ward 44 | 1 " | 79.61 " | 79.61 |
| | <hr/> | | <hr/> |
| TOTAL | 3449 days | | \$209,346.49 |

Other Services (S.F.G.H.)

| | | | |
|-----------------------------|--------|-------------|--------------|
| Prescriptions | 883 | \$ 3.00 | \$ 2,649.00 |
| Physical Therapy Treatments | 575 | 6.00 | 3,450.00 |
| Electrocardiograms | 400 | 15.00 | 6,000.00 |
| X-Rays (1967-68 charge) | 2 | 2.00 | 4.00 |
| X-Rays | 10,408 | 3.25 | 33,826.00 |
| Surgery (hours) | 203 | 35.00 | 7,105.00 |
| Blood (pints) | 14 | 25.00 | 350.00 |
| | | | <hr/> |
| | | SUB-TOTAL | \$ 53,384.00 |
| | | GRAND TOTAL | \$262,730.49 |

| | 64/65 | 65/66 | 66/67 | 67/68 | 68/69 |
|---|--|--|---|---|---|
| 1. Physical Therapy | \$ 46,000.00 | \$ 57,704.00 | \$ 53,744.00 | \$ 55,926.14 | \$ 42,503.26 |
| 2. Med. Roll Phys, Drugs, etc. | 210,976.58 | 274,256.56 | 341,340.74 | 355,206.73 | 383,990.64 |
| 3. S.F.G.H. | 96,701.92 | 138,457.69 | 115,269.60 | 131,496.32 | 265,004.13 |
| 4. Compensation Pay Temp. Disab, (Misc. only) Perm. Disab, (Misc. Police & Fire) | 378,725.97 | 389,015.42 | 421,060.85 | 521,299.49 | 741,876.59 412,807.22 328,991.37 |
| 5. S.F.G.H. Phys, 3pm-10am | 25,200.00 | 25,200.00 | 25,200.00 | 25,200.00 | 30,000.00 |
| 6. S.F.G.H. Phys, 10am-3pm | 25,370.76 | 26,590.84 | 28,109.16 | 33,632.13 | 38,709.80 |
| 7. Rest Homes | - | 2,506.30 | 1,272.35 | 3,150.00 | 1,300.00 |
| 8. Subpena Fees | 480.00 | 397.00 | 316.60 | 356.00 | 720.00 |
| 9. Copy Fees | 100.00 | - | - | - | - |
| 10. Administrative Salaries | 45,263.97 | 47,241.11 | 52,775.41 | 72,494.56 | 81,334.00 |
| 11. Investigators Salaries | 17,808.00 | 19,356.00 | 12,796.70 | 17,888.00 | 30,996.00 |
| Sub Total: | \$848,627.20 | \$980,804.92 | \$1,051,885.41 | \$1,221,503.37 | \$1,607,134.42 |
| Subrogation Recoveries: | -83,328.72 | -54,261.86 | -102,963.38 | -61,520.76 | -39,066.82 |
| Grand Total: | \$765,298.48 | \$926,543.06 | \$948,922.03 | \$1,159,982.61 | \$1,567,067.60 |
| 12. Disability Leave Pay Police Fire | \$106,270.74 185,390.90 \$1,056,960.12 | \$519,619.16 548,619.16 \$1,292,781.36 | \$ 684,383.51 541,093.51 \$2,174,399.05 | \$ 665,545.00 524,814.00 \$2,350,341.61 | \$ 674,186.90 636,002.76 \$2,881,657.25 |

FISCAL YEAR 1968-1969

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|--------------------------|---|---|--------|
| W. Engineering -996- | 4 | 7 | 11 |
| W. Building Repair -996- | 16 | 8 | 24 |
| W. Sewer Repair -996- | 2 | 1 | 3 |
| W. Architecture | 1 | 0 | 1 |
| W. Road Fund | 19 | 9 | 28 |
| W. Traffic Painting | 3 | - | 3 |
| Creation and Park | 126 | 83 | 209 |
| Library | 5 | 9 | 14 |
| Legion of Honor | 3 | - | 3 |
| War Memorial | 2 | 1 | 3 |
| Young Museum | 6 | 8 | 14 |
| International Airport | 21 | 12 | 33 |
| Municipal Railway | 562 | 207 | 769 |
| Water | 92 | 33 | 125 |
| Witch Hetchy | 21 | 12 | 33 |
| Education | 289 | 201 | 490 |
| Police | 560 | 406 | 966 |
| Fire | 481 | 303 | 784 |
| Board of Supervisors | 1 | - | 1 |
| District Attorney | 1 | - | 1 |
| Assessor | 2 | 1 | 3 |
| Comptroller | 1 | 3 | 4 |
| Registrar | 3 | 1 | 4 |
| Sheriff | 26 | 21 | 47 |

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|-------------------------|---|---|--------|
| Mayor | 1 | 1 | 2 |
| Social Services | 15 | 16 | 31 |
| Juvenile Court | 26 | 12 | 38 |
| Aquarium | 2 | 2 | 4 |
| Droneer | 6 | 4 | 10 |
| Electricity | 6 | 1 | 7 |
| Tax Collector | 3 | 2 | 5 |
| Purchasing | 16 | 5 | 21 |
| Weights and Measures | 0 | 1 | 1 |
| Finance and Records | 0 | 2 | 2 |
| Recorder | 1 | 0 | 1 |
| Municipal Court | 1 | 1 | 2 |
| City Planning | 1 | 0 | 1 |
| Adult Probation | 2 | 0 | 2 |
| Superior Court | 0 | 1 | 1 |
| Civil Service | 3 | 0 | 3 |
| Human Rights | 0 | 1 | 1 |
| P.W. Bldg. Repair -200- | 13 | 6 | 19 |
| P.W. Bldg. Inspection | 2 | 2 | 4 |
| P.W. Engineering | 2 | 2 | 4 |
| P.W. Sewer Repair | 31 | 8 | 39 |
| P.W. Street Cleaning | 46 | 23 | 69 |
| P.W. General Office | 1 | 1 | 2 |
| P.W. Bureau Accounts | 0 | 1 | 1 |

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|-----------------------------------|---|---|--------|
| <u>Public Health</u> | | | |
| Central Office | 6 | 17 | 23 |
| Emergency Hospitals | 28 | 8 | 36 |
| Hessler Health Home | 4 | 2 | 6 |
| Laguna Honda Hospital | 72 | 45 | 117 |
| San Francisco General Hospital | 214 | 433 | 647 |
| <hr/> | | | |
| TOTAL | 2,749 | 1,923 | 4,672 |

COMPENSATION

During the fiscal year 1968 - 1969, a total of 2,749 compensation cases were handled, under which either weekly benefits, or medical expenses were paid.

Approximately 1,923 additional cases were handled which were not of sufficient severity to require expense beyond first aid or clinic observations.

INVESTIGATORS DIVISION

| | 64/65 | 65/66 | 66/67 | 67/68 | 68/69 |
|----------------------------------|-----------|-----------|------------|-----------|-----------|
| <u>Investigations Completed</u> | | | | | |
| Industrial Cases | | | | | |
| Administrative | 113 | 130 | 157 | 185 | 245 |
| W.C.A.B. | 59 | 44 | 48 | 72 | 104 |
| Board | 99 | 128 | 124 | 128 | 129 |
| Retired Earnings | 99 | 108 | 100 | 114 | 22 |
| Misc. Investigations | <u>68</u> | <u>95</u> | <u>131</u> | <u>15</u> | <u>37</u> |
| Total Investigations | 438 | 505 | 560 | 514 | 537 |
| <u>Miscellaneous Assignments</u> | | | | | |
| Subpenas Served | 197 | 252 | 248 | 253 | 287 |
| Copy Assignments | 20 | 35 | 56 | 83 | 109 |
| Photo Assignments | <u>-</u> | <u>1</u> | <u>3</u> | <u>-</u> | <u>2</u> |
| Total Misc. Assignments | 217 | 288 | 307 | 336 | 398 |

Comparison of expenditures for all appropriations other than those for personal services, with original budget appropriations for 1968 - 1969.

| | | <u>Original Budget</u> | <u>Expenditures</u> | |
|-----|---|----------------------------|---------------------|------|
| 200 | Contractual Services. | \$ 45,172 | 48,530 | (1) |
| 300 | Materials and Supplies. | 6,130 | 7,189 | (1) |
| 400 | Equipment : | 320 | 309 | |
| 800 | Fixed Charges | 15,814 | 14,990 | |
| 815 | Accident Compensation | 1,098,438 | 1,589,680 | (1) |
| 860 | Retirement Allowances | | | |
| | General Fund . . . | 14,894,073 | 13,837,941 | Est. |
| | Special Funds . . | 5,107,180 | 4,040,918 | Est. |
| 900 | Services of Other Departments (EDP Program). . . | 84,827 | 84,827 | |

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

(*) Amount is net after deduction of \$2,684,049 credit to San Francisco Unified School District.

CITY AND COUNTY OF SAN FRANCISCO

PENSION BOARD

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' PENSION SYSTEM
40 McALLISTER STREET
SAN FRANCISCO 94102

September 17, 1970

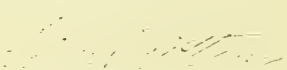
Honorable Joseph L. Alioto
Mayor, City and County of San Francisco
Room 200, City Hall
San Francisco, California

Dear Mayor Alioto:

Pursuant to your communication wherein you requested information necessary for the preparation of a report relative to the condition of the City and County of San Francisco, we are pleased to submit the enclosed data.

We trust that the information submitted meets with your approval.

Very truly yours,


Daniel Mattrocco
General Manager

DM:mg
enclosure

ANNUAL REPORT

6/30/69-6/30/70

CITY AND COUNTY OF SAN FRANCISCO

EMPLOYEES' RETIREMENT SYSTEM

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
ANNUAL REPORT 1969-70

ADMINISTRATION

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922.

The system is administered by the Retirement Board consisting of seven members: President of the Board of Supervisors, three active members of the system elected by the membership, and three members appointed by the Mayor, who shall either hold a degree of doctor of medicine or shall be experienced in life insurance, actuarial science, employee pension planning, or investment portfolio management. Each member appointed by the Mayor shall be from among a list of three names submitted by a committee consisting of two members each of the San Francisco Medical Society, Bar Association, Real Estate Board, and the Chamber of Commerce; no more than one doctor may serve on the Board at any one time.

Members of the Retirement Board as of June 30, 1970 were Warren DeMerritt, president, John Simpson, vice-president, and Philip Kearney, elected by the membership; James V. Lawry, Warren M. Johnson, and Dean Anderson, appointed by the Mayor; and Dianne Feinstein, President of the Board of Supervisors.

To aid in the administration of the system, the Retirement Board appoints an Actuary and a Secretary-General Manager. The Actuary holds his office at the pleasure of the Board. The latter is the Retirement System General Manager and is subject to the Civil Service provisions of the Charter. The General Manager has jurisdiction over approximately 56 permanent employees divided into five divisions namely, Administration, Investment, Accounting, Actuarial, and Workmen's Compensation.

During fiscal year 1969-70, 170 hearings of applicants or their representatives were held in 46 meetings of the Retirement Board. Applications granted and denied during the year were as follows:

| <u>Disability Industrially Incurred - Police and Fire only</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Retirements | 50 | 1 |
| Determination only | 42 | 8 |
| Monthly death benefit | 8 | 0 |
| Payment of self-incurred medical bills | 21 | 2 |

The cost to the City for payment of self-incurred medical bills was \$19,483.12.

Ordinary Disability Retirements

Granted

Denied

| | | |
|---------------------------|----|---|
| Police and Fire | 2 | 0 |
| Other | 36 | 0 |

In addition to the above, the Board must consider and pass on numerous staff activities, including the investment of Retirement System funds and the appropriation and transfer of funds for the administration of the System.

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation law of the State of California are administered by the Retirement Board through the Compensation division of the Retirement System. To provide medical diagnosis and treatment of industrial injuries and illnesses, a separate ward is maintained at San Francisco General Hospital for this purpose. Other physician-specialists are utilized as needed as well as physical therapy facilities outside the hospital. Claims processing, payment of medical benefits, and provision for weekly benefits are accomplished through a clerical and professional office staff at 450 McAllister Street. Implementation of any changes in the State law is provided by this division, the City Attorney, and the Workmen's Compensation Appeals Board of the State of California.

The percentage of disability shall be as determined by the Workmen's Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five (5) affirmative votes, adjust the percentage of disability as allowance shall be in an amount not less than fifty percent nor more than ninety percent of the final compensation of said member.

Section 159 of the Charter gives the Retirement Board exclusive control of the administration and investment of Retirement System funds derived from contributions of member employees and from contributions of the City and County. These funds now total approximately \$400,000,000. The investment of these funds is a great responsibility since the goal of such investment is to obtain maximum yield without jeopardizing the principal upon which the retirement benefits of City and County employee members are dependent. There is a direct relationship between the yield on investments and size of employee and City contributions required to meet the expense of retirement benefits. The Controller and the Treasurer act jointly as custodian for securities owned, and the Controller must ascertain that purchases by the Retirement Board are as required in Section 159 of the Charter.

Eligibility for Retirement or Death benefits is determined by the Retirement Board, utilizing recommendations from the Actuarial Division and the Administrative Division. Provision of such benefits as directed by the Retirement Board are processed by the Actuarial Division staff. A principal attorney from the City Attorney's Office is available to the Board at each meeting and to Retirement System staff to assist in determination of eligibility as defined in the Charter and Administrative Code of the City and County of San Francisco.

3
Actuarial valuations of the System are a joint effort of the Retirement System's Actuarial Division and an outside actuarial firm employed under contract. There is a close working relationship between this firm and the Retirement System for the purpose of determining the cost of new legislation and the implementation of new legislation, as well as for the purpose of recommending contribution rates after actuarial valuations of the System's mortality and financial status. A valuation of the Retirement System is conducted each even number year and an investigation is conducted each odd number year.

The accounting division provides the bookkeeping of the Retirement System, auditing the payrolls, acting as custodian of payrolls for the City and County, as well as keeping a record of contributions to the System, and the additional and disbursement of funds. This division administers the disbursement of funds for the administration of the Retirement System, constructs the annual budget document, and provides for the payroll and purchase of supplies and equipment for administration of the System. The Controller annually audits the books of the System. The result of this audit is published annually.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a steady increase. The number of active members as of June 30, 1970 was approximately 28,000.

SOCIAL SECURITY COVERAGE OF MEMBERS

All members of the Retirement System except those who became members of the Retirement System prior to 1959 and who elected not to be covered by Social Security must contribute to Social Security. Those members covered by Social Security may, however, reduce their contribution into the Retirement fund by an amount equal to the Social Security payment less the medicare portion.

CONTRIBUTIONS

Both the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction based on rates effective on July 1, 1969 as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are:

| <u>Nearest Age at Entry Into the System</u> | <u>MALE</u> | <u>FEMALE</u> |
|---|-------------|---------------|
| 20 | 5.51% | 5.95% |
| 30 | 6.30% | 6.95% |
| 40 | 7.32% | 7.98% |
| 50 | 8.60% | 9.39% |

The City and County contributed to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | | |
|-------------------|---------|---------|
| Police Department | (168.1) | 27.204% |
| Fire Department | (171.1) | 24.498% |
| Miscellaneous | (165.2) | 11.205% |

The City and County also made contributions for payment of prior and current service benefits for policemen retired under sections 166 and 167, firemen retired under sections 169 and 170, and for others, including matching funds for miscellaneous employees retired under section 165.



The City and County has contributed to the Retirement fund amounts based on the following rates:

| <u>Effective Date</u> | <u>165.2</u> | Police <u>168.1</u> | Fire <u>171.1</u> |
|-----------------------|--------------|------------------------|----------------------|
| | <u>%</u> | <u>%</u> | <u>%</u> |
| July 1947 | 11.34 | 17.47 | |
| July 1949 | 11.34 | 26.85 | 17.98 |
| Nov. 1949 | 11.648 | 26.85 | 17.98 |
| Jan. 1950 | 12.162 | 26.85 | 17.98 |
| Nov. 1950 | 12.207 | 26.85 | 17.98 |
| Dec. 1950 | 12.259 | 26.85 | 17.98 |
| Feb. 1952 | 12.306 | 26.85 | 17.98 |
| Apr. 1952 | 12.306 | 27.691 | 17.98 |
| Feb. 1953 | 12.615 | 27.691 | 17.98 |
| July 1953 (Billing) | 12.553 | 21.062 | 21.662 |
| Apr. 1956 (Billing) | 12.724 | 21.576 | 21.662 |
| Feb. 1957 (Billing) | 12.898 | 19.714 | 27.775 |
| July 1957 | 12.898 | 19.714 | 27.775 |
| July 1957 (Billing) | 12.377 | 18.112 | 25.580 |
| Oct. 1959 | 11.412 | 18.112 | 25.580 |
| Nov. 1959 | 10.508 | 18.112 | 25.580 |
| Mar. 1960 | 10.458 | 18.112 | 25.580 |
| Apr. 1960 | 10.411 | 18.112 | 25.580 |
| July 1961 | 6.236 | 17.268 | 15.802 |
| Mar. 1964 | 6.277 | 17.268 | 15.802 |
| July 1964 | 5.166 | 15.798 | 12.791 |
| July 1969 | 11.205 | 27.204 | 24.498 |



WITHDRAWAL OF CONTRIBUTIONS

Withdrawals for 1969-70 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|--|---------------|------------------|----------------|
| Miscellaneous (excluding teachers) . . . | 1,023 | \$1,571.282.41 | \$1,535.96 |
| Teachers | 517 | 1,824,732.65 | 3,529.46 |
| Policemen | 11 | 40,767.75 | 3,706.16 |
| Firemen | 4 | 10,782.74 | 2,695.69 |
| Adjustments | <u>755</u> | <u>91,515.22</u> | <u>121.67</u> |
| TOTALS: | 2,310 | \$3,539,080.77 | \$1,532.07 |

Teachers, unlike other employees, have the option of retiring either under the State Teachers' Retirement System or under the City and County Employees' Retirement System.

Many teachers each year withdraw their contributions prior to retirement in order to retire under the State System.



INVESTMENT POLICY

I. INTRODUCTION

The Retirement System was established April 1, 1922, under Article XVII, of the Charter adopted November 2, 1920. This Charter provided that "The Board of Administration shall have exclusive control of the administration and investment of such fund or funds as may be established." The broad powers of the Board were limited by Section 159 of the new Charter adopted January 8, 1932, which gave the Retirement Board "exclusive control of the administration and investment of such fund or funds as may be established, provided that all investments shall be of the character legal for insurance companies in California."

II. MANAGEMENT OF PORTFOLIO

Funds are committed as they become available or in anticipation of receipt. Once money deposited with the City and County Treasurer becomes available for investment, long-term or short-term securities are purchased by the Board.

The Controller requires that every purchase be approved by the Board, before a warrant can be issued in payment for securities.

Any security which would be a legal investment may be presented to the Board for specific approval. Included in the portfolio are United States Government obligations; Canadian government obligations; Industrial Utility bonds; and Railroad Equipment Trust Certificates.

The Treasurer and Controller of the City and County of San Francisco jointly act as custodians for the securities owned by the System. The bonds are stored in a joint custody vault in the Treasurer's Office.

Interest is received on investments and credited to the Retirement Fund as it falls due. All coupons are clipped by the Treasurer's Office and, under a resolution adopted sometime ago by the Retirement Board, are transmitted to the Bank of America for collection. Checks for interest on registered bonds are received directly from the paying agent of the issuer and are deposited immediately with the Treasurer. Bonds sold or called are handled as to collection in the same manner as interest collected.

At its meeting of January 15, 1969, the Retirement Board passed a resolution establishing the policy of purchasing common and preferred stock as well as Bonds. The Bank of America and Dodge and Cox are the consultants to the Retirement System.

Attached is a copy of the report of Stock Holdings as of June 30, 1970 and a list of our Bond Holdings as of June 30, 1969.



Comparison of expenditures for all appropriations other than those for personal services, with original budget appropriations for 1969-1970

| | | <u>Original Budget</u> | <u>Expenditures</u> | |
|-----|---|----------------------------|---------------------|---------|
| 200 | Contractual Services..... \$ | 66,757 | 74,804 | (1) |
| 300 | Materials and Supplies..... | 6,300 | 6,097 | |
| 400 | Equipment..... | - 0 - | - 0 - | |
| 800 | Fixed Charges..... | 17,974 | 17,450 | |
| 801 | Accident Compensation..... | 1,468,463 | 2,305,855 | (1) |
| 860 | Retirement Allowances | | | |
| | General Fund... | 26,967,916 | 25,130,088 | |
| | Special Funds.. | 13,514,941 | 13,897,115 | (1) (*) |
| 900 | Services of Other Departments (EDP Program)... | 77,624 | 77,624 | (1) |

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

(*) Amount is net after deduction of \$2,429,339 credit to San Francisco Unified School District.

Retirement Allowance expenditures actual for first five months, estimated for second seven months.



RETIREMENT ALLOWANCES AND DEATH BENEFITSALLOWANCES

As of June 30, 1970, there were 7,059 allowances being paid, totaling \$2,177,851.04 and averaging \$308.52 per allowance as follows:

| | Number of Allowances | Total Amount | Average |
|-------------------|-------------------------|------------------|---------------|
| <u>SERVICE</u> | | | |
| Miscellaneous | 4252 | \$1,035,606.32 | \$243.56 |
| Fire | 559 | 308,053.52 | 551.08 |
| Police | 477 | 196,738.70 | 412.45 |
| <u>DISABILITY</u> | | | |
| Miscellaneous | 667 | 129,671.97 | 194.41 |
| Fire | 350 | 173,259.17 | 495.03 |
| Police | 503 | 203,191.14 | 403.96 |
| <u>DEATH</u> | | | |
| Fire | 119 | 71,595.12 | 601.64 |
| Police | <u>132</u> | <u>59,735.10</u> | <u>452.54</u> |
| TOTAL: | 7059 | \$2,177,851.04 | \$308.52 |

The number and amount of monthly allowances as of the end of the year were as follows:

| | Number of Allowances | Monthly Amount |
|---------|-------------------------|-------------------|
| 6/30/60 | 5,363 | \$ 996,919.79 |
| 6/30/61 | 5,425 | 1,027,781.17 |
| 6/30/62 | 5,532 | 1,081,763.46 |
| 6/30/63 | 6,033 | 1,123,970.63 |
| 6/30/64 | 5,793 | 1,207,216.26 |
| 6/30/65 | 5,963 | 1,289,582.07 |
| 6/30/66 | 6,048 | 1,340,830.47 |
| 6/30/67 | 6,213 | 1,444,592.34 |
| 6/30/68 | 6,431 | 1,540,033.89 |
| 6/30/69 | 6,692 | 1,899,950.02 |
| 6/30/70 | 7,059 | 2,177,851.04 |



SERVICE RETIREMENTS 1969-70

| | |
|--------------------|-----|
| MISCELLANEOUS | 413 |
| POLICE | 57 |
| Section 168.1 = 53 | |
| Section 166 = 4 | |
| FIRE | 69 |
| Section 171.1 = 65 | |
| Section 169 = 4 | |

TOTAL SERVICE RETIREMENTS 1969-70: 539

DISABILITY RETIREMENTS 1969-70

| | |
|--|----|
| MISCELLANEOUS | 36 |
| Average age = 53; range 37-60 years | |
| Average years of service = 19; range 10-35 years | |
| POLICE | 32 |
| Industrial Disability = 32 | |
| Section 168.1 = 31 | |
| Section 166 = 1 | |
| Qualified for service = 6 | |
| Not qualified for service = 14 | |
| FIRE | 20 |
| Industrial Disability | |
| Non-industrial Disability | |
| Section 171.1 = 17 | |
| Section 169 = 1 | |
| Qualified for service = 6 | |
| Not qualified for service = 27 | |

TOTAL DISABILITY RETIREMENTS 1969-70: 88

The industrial injuries or illnesses for which these 50 firemen and policemen were retired during 1969-70 may be classified as follows:

| | Number | Percent |
|---|--------|---------|
| Heart and vascular system | 12 | 24 |
| Back | 20 | 40 |
| Injuries to lower extremities | 3 | 6 |
| Injuries to upper extremities | 9 | 18 |
| Injuries to other parts of the body . . . | 6 | 12 |
| Emotional Illness | 0 | 0 |
| | 50 | 100% |



TOTAL RETIREMENTS FOR SERVICE AND DISABILITY FOR 1964-70:

| <u>Year</u> | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|-------------|--------------|----------------|-------------------|
| 1964-1965 | 408 | 335 | 73 |
| 1965-1966 | 371 | 280 | 91 |
| 1966-1967 | 419 | 326 | 93 |
| 1967-1968 | 387 | 293 | 94 |
| 1968-1969 | 499 | 396 | 103 |
| 1969-1970 | 627 | 539 | 88 |



YEARS OF SERVICE AT RETIREMENT

Of those retiring for service during 1969-70, the mean average of service for miscellaneous employees was 23 years, whereas the median was 32 years for policemen and firemen.

Credited Years of Service
Prior to Service Retirement
City and County of San Francisco Retirement System
Fiscal Year 1969-70

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> |
|-------------------------|----------------------|---------------|------------------------|
| | <u>Male</u> | <u>Female</u> | |
| 0-5 | 2 | 4 | -- |
| 6-10 | 17 | 17 | -- |
| 11-15 | 26 | 35 | -- |
| 16-20 | 46 | 28 | 1 |
| 21-25 | 55 | 36 | 1 |
| 26-30 | 35 | 18 | 48 |
| 31-35 | 35 | 19 | 54 |
| 36-40 | 23 | 7 | 13 |
| Over 40 | 6 | 4 | 9 |
| | <u>245</u> | <u>168</u> | <u>126</u> |

Credited Years of Service
Prior to Disability Retirement
City and County of San Francisco Retirement System
Fiscal Year 1969-70

Of those retiring for disability, the median year for miscellaneous employees was about 16 years of service, and the median for police and fire was between 17 and 18 years of service. For policemen and firemen under the old sections of the Charter, the median was between 40 and 45 years. It is of interest to note that many more policemen and firemen retired for disability than did miscellaneous members, although there are many more miscellaneous members in the Retirement System. However, policemen and firemen suffer more disabling injuries per million man-hours of exposure than the average miscellaneous employee.

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> | |
|-------------------------|----------------------|---------------|------------------------|--------------------|
| | <u>Male</u> | <u>Female</u> | <u>Non-fluctuating</u> | <u>Fluctuating</u> |
| 0-5 | 0 | 0 | 3 | -- |
| 6-10 | 2 | 0 | 9 | -- |
| 11-15 | 7 | 6 | 6 | -- |
| 16-20 | 5 | 5 | 11 | -- |
| 21-25 | 1 | 1 | 14 | -- |
| 26-30 | 3 | 4 | 3 | -- |
| 31-35 | 2 | 0 | 3 | -- |
| 36-40 | 0 | 0 | 1 | 0 |
| Over 40 | 0 | 0 | 0 | 2 |
| | <u>20</u> | <u>16</u> | <u>50</u> | <u>2</u> |



AGE AT RETIREMENT

Of those members retiring for service during 1969-70, about 8.2% of the miscellaneous members and 58% of the policemen and firemen were under 60 years of age at retirement. Miscellaneous members received a discounted allowance under age 60 whereas policemen and firemen are discounted at an earlier age. About 48% of the miscellaneous members had attained age 65 at retirement, as contrasted with only 7% of policemen and firemen.

Of those members retiring for disability during 1969-70, 47% of the miscellaneous members and 71% of the policemen and firemen were under age 55.

Age at Retirement
Miscellaneous Employees

City and County of San Francisco Retirement System
Fiscal Year 1969-70

SECTION 165.2*

| <u>Retirement Age</u> | <u>Service</u> | <u>Disability</u> |
|-----------------------|----------------|-------------------|
| Under 55 | 1 | 17 |
| 55-59 | 33 | 18 |
| 60-64 | 180 | 1 |
| 65- | <u>196</u> | <u>0</u> |
| | 410 | 36 |

* There were three Section 165 miscellaneous members retired during fiscal year 1969-70 not included in this table.

Police and Fire
Non-fluctuating Allowances
(Sections 166.1 & 171.1)

| | | |
|----------|----------|----------|
| Under 50 | 0 | 35 |
| 50-54 | 14 | 6 |
| 55-59 | 55 | 3 |
| 60-64 | 4 | 4 |
| 65 | <u>8</u> | <u>1</u> |
| | 118 | 49 |

Fluctuating Allowances
(Sections 166 & 169)

| | | |
|---------|----------|----------|
| 60-65 | 0 | 0 |
| Over 65 | <u>8</u> | <u>1</u> |
| | 8 | 1 |



DEATH BENEFITS

Death benefits in the form of monthly allowances may be payable to eligible dependents of policemen and firemen who die prior to retirement, as a result of injury or illness incurred in the performance of duty. Monthly allowances may be payable to eligible dependents of all employee members prior to retirement if the member was already qualified for service retirement. The beneficiary or estate of those not so qualified receives the member's accumulated contributions plus six months salary. This lump sum benefit may be taken in lieu of the allowance, if the eligible dependent so elects.

For the eligible dependents of those already retired, there is provision for continuation of part or all of the member's retirement allowances as a death benefit. Only those dependents of policemen and firemen who die as a result of injury or illness incurred in the performance of duty, or who die after retirement for industrial disability, are eligible to receive the full continuation. However, a member at retirement may elect to receive a reduced retirement allowance in order to provide for a lifetime allowance to a survivor. Two options are available to the member for this purpose. In addition to the above, named beneficiaries of retired employees receive a lump sum benefit of \$100 per year of service to a maximum of \$1000.

INDUSTRIAL DEATH ALLOWANCES

Allowances by year to eligible dependents of member policemen and firemen who die as a result of injury or illness incurred in the performance of duty were as follows:

| | |
|---------|----|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |
| 1968-69 | 13 |
| 1969-70 | 8 |



COMPENSATION

During the fiscal year 1969 - 1970, the Compensation Section processed 233 applications for adjudication of claims before the Workmen's Compensation Appeals Board. In addition, the Compensation Claims Supervisor attended 561 hearings before the Workmen's Compensation Appeals Board.

Employees injured on the job are entitled to the Compensation benefits provided by the Labor Code of the State of California. In order to supplement their income during the period of disability, many employees have insurance policies that provide additional benefits. Payment of these benefits is contingent on the completion of forms provided by the insurance carriers. The Compensation Section has assisted the employees in completing their disability forms and provided the insurance carriers with medical reports (1312 copies) to support the employee's claims.

A total of 5,178 new compensation cases were handled during the past fiscal year. 2,940 cases required the payment of either weekly benefits or medical expense and 2,238 cases were not of sufficient severity to require expense beyond first aid or clinical observation. There has been an increase of approximately 10% in new cases over 1968-69, in addition to older cases which have been reactivated because of exacerbation of old injuries.



FISCAL YEAR 1969 - 1970

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|---------------------------|---|---|--------|
| .W. Engineering -996- | 1 | 2 | 3 |
| .W. Building Repair -996- | 11 | 4 | 15 |
| .W. Sewer Repair -996- | 1 | 1 | 2 |
| .W. Architecture | 2 | 1 | 3 |
| .W. Road Fund | 24 | 15 | 39 |
| .W. Traffic Painting | 1 | - | 1 |
| Recreation - Park | 113 | 83 | 196 |
| Library | 11 | 5 | 16 |
| Legion of Honor | 1 | - | 1 |
| Young Museum | 5 | 4 | 9 |
| International Airport | 19 | 20 | 39 |
| Municipal Railway | 683 | 251 | 934 |
| Water | 75 | 55 | 130 |
| Wet Hetchy | 26 | 15 | 41 |
| Education | 288 | 276 | 564 |
| Police | 552 | 430 | 982 |
| Fire | 576 | 402 | 978 |
| Board of Supervisors | - | 1 | 1 |
| Mayor | - | 1 | 1 |
| Assessor | 2 | 1 | 3 |
| Controller | 2 | 5 | 7 |
| Registrar | 4 | 2 | 6 |
| Sheriff | 29 | 13 | 42 |
| Civil Service | 2 | - | 2 |
| Social Services | 29 | 12 | 41 |



FISCAL YEAR 1969 - 1970

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|--------------------------|---|---|--------|
| Juvenile Court | 17 | 10 | 27 |
| Aquarium | 3 | 1 | 4 |
| Electricity | 12 | 4 | 16 |
| Public Utilities Comm. | 1 | 0 | 1 |
| Purchasing | 4 | 6 | 10 |
| City Attorney | 1 | 2 | 3 |
| Finance and Records | - | 2 | 2 |
| Health Service | 5 | - | 5 |
| Municipal Court | 2 | 1 | 3 |
| Adult Probation | 1 | 1 | 2 |
| Real Estate | 4 | - | 4 |
| Safety and Measures | 1 | 1 | 2 |
| Human Rights | 2 | 1 | 3 |
| Agriculture | 1 | - | 1 |
| Pension | 1 | - | 1 |
| W. Bldg. Repair -200- | 17 | 16 | 33 |
| W. Bldg. Inspection | 5 | 4 | 9 |
| W. Engineering -200- | 5 | 6 | 11 |
| W. Sewer Repair -200- | 22 | 15 | 37 |
| W. Street Cleaning -200- | 27 | 36 | 63 |
| W. General Office | - | 5 | 5 |
| W. Bureau Accounts | - | 2 | 2 |



FISCAL YEAR 1969 - 1970

| Department | Cases on Which Payments Were Made | Injuries on Which No Payments Were Made | Totals |
|-----------------------------------|---|---|--------|
| <hr/> | | | |
| <u>Public Health</u> | | | |
| Central Office | 15 | 21 | 36 |
| Emergency Hospitals | 23 | 14 | 37 |
| Kassler Health Hospital | 6 | 15 | 21 |
| Laguna Honda Hospital | 74 | 47 | 121 |
| San Francisco General Hospital | 234 | 429 | 663 |
| <hr/> | | | |
| TOTAL | 2,940 | 2,238 | 5,178 |



The Retirement System maintains a ward (Ward 45) at the San Francisco General Hospital for the treatment of industrial disabilities. Patients are referred to other wards for specialized care when necessary. There were 506 patients admitted to the San Francisco General Hospital during 1969 - 1970.

Pertinent statistics for 1969-70 are summarized below.

| <u>In-patient ward charges</u> | <u>Days or Units</u> | <u>Unit Cost</u> | |
|--------------------------------|----------------------|------------------|--------------|
| Ward 45 | 3773 Days | \$ 54.00/day | \$203,742.00 |
| Ward 11 and 33 | 71 " | 210.95 " | 14,977.45 |
| Ward 15 | 3 " | 61.13 " | 183.39 |
| Ward 12 | 15 " | 122.32 " | 1,834.80 |
| Ward 14 | 24 " | 93.48 " | 2,243.52 |
| <hr/> | | | |
| TOTAL | 3886 Days | | \$222,981.16 |

Other services at San Francisco General Hospital

| | | | |
|-----------------------------|--------|----------|--------------|
| Mission Emergency | 5 | \$ 19.86 | \$ 99.30 |
| Prescriptions | 1316 | 3.00 | 3,948.00 |
| Physical Therapy Treatments | 820 | 6.00 | 4,920.00 |
| Electrocardiograms | 313 | 15.00 | 4,695.00 |
| X-Rays | 12,559 | 3.25 | 40,816.75 |
| Arteriograms | 3 | 200.00 | 600.00 |
| Electroencephalograms | 1 | 35.00 | 35.00 |
| Surgery (Hours) | 254 | 35.00 | 8,890.00 |
| Blood (Pints) | 4 | 25.00 | 100.00 |
| <hr/> | | | |
| Sub-TOTAL | | | \$ 64,104.05 |
| TOTAL | | | \$287,085.21 |



| | 65/66 | 66/67 | 67/68 | 68/69 | 69/70 |
|--|---------------|----------------|----------------|-------------------|---------------------|
| Physical Therapy | \$ 57,784.00 | \$ 53,744.00 | \$ 55,926.14 | \$ 42,503.26 | \$ 67,564.05 |
| Med. Roll Phy, Drugs, etc. | 274,256.56 | 341,340.74 | 355,206.73 | 383,990.64 | 547,577.94 |
| S.F.G.H. | 138,457.69 | 115,269.60 | 131,496.32 | 235,004.13 | 287,085.21 |
| Compensation Pay Temp. Disab. (Mund Pay only) (Misc. only) Perm. Disab. (Misc. Police & Fire) | 389,015.42 | 421,060.85 | 521,299.49 | <u>741,876.59</u> | <u>1,201,792.32</u> |
| S.F.G.H. Phys, 3pm-10am | 25,200.00 | 25,200.00 | 25,200.00 | 30,000.00 | 30,000.00 |
| S.F.G.H. Phys, 10am-3pm | 26,590.84 | 28,109.16 | 33,632.13 | 38,709.80 | 39,123.00 |
| Subpoena Fees | 397.00 | 316.60 | 356.00 | 720.00 | 997.00 |
| Administrative Salaries | 47,241.11 | 52,775.41 | 72,494.56 | 81,334.00 | 82,928.00 |
| Investigators Salaries | 19,356.00 | 12,796.70 | 17,888.00 | 30,996.00 | 33,031.00 |
| Sub TOTAL: | \$280,864.92 | \$1,051,885.41 | \$1,221,903.37 | \$1,607,434.42 | \$2,290,498.52 |
| Subtraction Recoveries: | \$4,061.86 | -102,963.38 | -61,520.76 | -79,845.82 | 66,029.34 |
| TOTAL: | \$286,543.03 | \$ 948,922.03 | \$1,159,982.61 | \$1,567,567.60 | \$2,223,673.10 |
| Disability Leave Pay | \$ 519,619.16 | \$ 684,383.51 | \$ 665,545.00 | \$ 674,166.90 | \$ 814,991.24 |
| Police | 548,619.16 | 541,093.51 | 524,814.00 | 636,902.76 | 1,033,599.20 |
| Fire | 701.78 | 23,174,369.05 | 2,350,351.61 | 881,057.26 | 15,071,265.12 |



INVESTIGATORS DIVISION

| | <u>64/65</u> | <u>65/66</u> | <u>66/67</u> | <u>67/68</u> | <u>68/69</u> | <u>69/70</u> |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <u>Investigations Completed</u> | | | | | | |
| <u>Industrial Cases</u> | | | | | | |
| Administrative | 113 | 130 | 157 | 185 | 245 | 317 |
| W.C.A.B. | 59 | 44 | 48 | 72 | 104 | 62 |
| Board | 99 | 128 | 124 | 128 | 129 | 115 |
| Misc. Investigations | <u>68</u> | <u>95</u> | <u>131</u> | <u>15</u> | <u>37</u> | <u>36</u> |
| Total Investigations | 339 | 397 | 460 | 400 | 515 | 530 |
| <u>Miscellaneous Assignments</u> | | | | | | |
| Subpoenas Served | 197 | 252 | 248 | 253 | 287 | 326 |
| Copy Assignments | <u>20</u> | <u>35</u> | <u>56</u> | <u>83</u> | <u>109</u> | <u>127</u> |
| Total Misc. Assignments | 217 | 287 | 304 | 336 | 396 | 453 |

Note: Mr. Nervi was a full-time Investigator who worked from 7-1-69 through 1-16-70 when he resigned. Others who have worked in this section have been Mr. David Galli who worked from 7-1-69 to 10-1-69, Mr. Chris Hall who worked from 12-1-69 to 4-6-70, Mr. Racobs who has been here since 3-2-70, and Mr. Carbone who is working as part-time Summer Help.



EMPLOYEES' RETIREMENT SYSTEM

STOCK HOLDINGS AS OF JUNE 30, 1970

| <u>COMPANY</u> | <u>COST</u> | <u>MARKET VALUE 6-30-70</u> | <u>GAIN</u> | <u>(LOSS</u> |
|--------------------------------------|-------------|-------------------------------------|-------------|---------------|
| <u>PREFERRED STOCK (CONVERTIBLE)</u> | | | | |
| OCCIDENTAL PETROLEUM CORP. \$ | 530,152.71 | \$ 226,250.00 | \$ | 303,902. |
| <u>COMMON STOCK</u> | | | | |
| AMERICAN CYANAMID COMPANY | 600,822.92 | 535,000.00 | | 65,822. |
| AMERICAN HOME PRODUCTS | 614,311.32 | 570,000.00 | | 44,311. |
| AMERICAN TELEPHONE & TELEGRAPH | 794,199.52 | 618,750.00 | | 175,449. |
| ARCHER, DANIELS - MIDLAND CO. | 351,170.54 | 321,750.00 | | 29,420. |
| ATLANTIC RICHFIELD COMPANY | 517,544.80 | 291,000.00 | | 226,544. |
| BOISE CASCADE CORPORATION | 461,381.50 | 342,650.00 | | 118,731. |
| BORDEN INCORPORATED | 376,875.31 | 324,000.00 | | 52,875. |
| BRISTOL - MYERS COMPANY | 649,238.50 | 500,000.00 | | 149,238. |
| BURROUGHS CORPORATION | 149,288.80 | 91,500.00 | | 57,788. |
| CARRIER CORPORATION | 298,968.96 | 265,000.00 | | 33,968. |
| CHARTER NEW YORK CORPORATION | 329,399.92 | 245,875.00 | | 83,524. |
| CHEMICAL NEW YORK CORPORATION | 636,868.74 | 561,250.00 | | 75,618. |
| CONTINENTAL OIL COMPANY | 358,838.44 | 244,375.00 | | 114,463. |
| CORNING GLASS WORKS | 399,087.05 | 252,800.00 | | 146,287. |
| DEERE AND COMPANY | 391,482.94 | 290,000.00 | | 101,482. |
| DEL MONTE CORPORATION | 349,544.95 | 237,000.00 | | 112,544. |
| DENTSPLY INTERNATIONAL INC. | 305,392.79 | 189,000.00 | | 116,392. |
| DONNELLEY AND SONS, R. R. | 355,715.27 | 212,062.50 | | 143,652. |
| DOW CHEMICAL COMPANY | 585,499.76 | 506,000.00 | | 79,499. |
| EASTMAN KODAK COMPANY | 516,738.23 | 444,500.00 | | 72,238. |
| ENGELHARD MINERALS & CHEMICAL | 374,454.82 | 319,500.00 | | 54,954. |
| FEDERATED DEPARTMENT STORES | 591,531.82 | 468,000.00 | | 123,531. |
| FIRESTONE TIRE AND RUBBER CO. | 410,230.00 | 356,625.00 | | 53,605. |
| FIRST BANK SYSTEMS INC. | 390,602.64 | 346,500.00 | | 44,102. |
| FIRST CHICAGO CORPORATION | 407,313.75 | 356,125.00 | | 51,188. |
| FIRST NATIONAL BANK OF BOSTON | 587,875.00 | 490,000.00 | | 97,875. |
| FIRST NATIONAL CITY CORP. | 270,310.71 | 250,000.00 | | 20,310. |
| FLORIDA POWER AND LIGHT CO. | 545,057.56 | 452,000.00 | | 93,057. |
| FMC CORPORATION | 360,519.28 | 262,500.00 | | 98,019. |
| FORD MOTOR COMPANY | 370,467.75 | 351,000.00 | | 19,467. |
| GENERAL ELECTRIC COMPANY | 449,081.13 | 371,250.00 | | 77,831. |
| GENERAL MOTORS CORPORATION | 324,848.64 | 279,562.50 | | 45,286. |
| GULF OIL CORPORATION | 716,250.89 | 414,000.00 | | 302,250. |



| COMMON STOCK | COMPANY | COST | MARKET VALUE | | GAIN | (LOSS) |
|--------------|----------------------------------|------------------|------------------|--------------|-----------------|------------|
| | | | 6-30-70 | 6-30-69 | | |
| | HOEYEWELL, INCORPORATED | \$ 278,504.73 | \$ 173,437.50 | \$ | \$ | 105,067.23 |
| | HOUSEHOLD FINANCE CORP. | 843,897.06 | 658,562.50 | | | 185,334.56 |
| | HOUSTON LIGHTING & POWER | 258,775.91 | 215,250.00 | | | 43,525.91 |
| | INTERNATIONAL BUSINESS MACHINE | 1,806,497.61 | 1,350,000.00 | | | 456,497.61 |
| | INTERNATIONAL NICKEL OF CANADA | 245,343.14 | 247,000.00 | | 3,656.86 | |
| | INTERNATIONAL PAPER COMPANY | 422,468.91 | 335,500.00 | | | 86,968.91 |
| | INTERSTATE DEPARTMENT STORES | 309,764.41 | 104,000.00 | | | 205,764.41 |
| | KAISER ALUMINUM AND CHEMICAL | 301,728.11 | 220,000.00 | | | 81,728.11 |
| | KIMBERLY CLARK CORPORATION | 312,068.45 | 267,525.00 | | | 44,543.45 |
| | LEAR, SIEGLER INCORPORATED | 216,744.74 | 139,750.00 | | | 116,994.74 |
| | MINNESOTA MINING & MANUFACTURING | 316,362.43 | 226,500.00 | | | 89,862.43 |
| | MOTOROLA, INCORPORATED | 246,940.87 | 155,661.00 | | | 91,279.87 |
| | MURPHY, G. C. COMPANY | 293,093.70 | 200,000.00 | | | 93,093.70 |
| | NORTHWEST AIRLINES, INC. | 296,808.03 | 141,750.00 | | | 155,058.03 |
| | PABST BREWING COMPANY | 201,250.00 | 196,875.00 | | | 4,375.00 |
| | PANHANDLE EASTERN PIPELINE | 234,985.34 | 260,750.00 | | 25,764.66 | |
| | PROCTER AND GAMBLE COMPANY | 314,347.87 | 282,000.00 | | | 32,347.87 |
| | RADIO CORPORATION OF AMERICA | 594,276.95 | 303,750.00 | | | 290,526.95 |
| | REPUBLIC STEEL CORPORATION | 242,300.74 | 158,812.50 | | | 83,488.24 |
| | SEARS, ROEBUCK AND COMPANY | 609,778.54 | 500,625.00 | | | 109,153.54 |
| | SOUTHERN CALIFORNIA Edison CO. | 378,907.15 | 253,000.00 | | | 125,907.15 |
| | SOUTHERN PACIFIC COMPANY | 370,611.47 | 236,250.00 | | | 134,361.47 |
| | STANDARD OIL CO. OF INDIANA | 400,013.93 | 309,375.00 | | | 90,638.93 |
| | STANDARD OIL CO. OF NEW JERSEY | 775,287.90 | 569,400.00 | | | 205,887.90 |
| | TAFT BROADCASTING COMPANY | 335,679.66 | 155,000.00 | | | 180,679.66 |
| | TEXACO, INCORPORATED | 393,024.21 | 286,000.00 | | | 107,024.21 |
| | TEXAS UTILITIES COMPANY | 273,429.90 | 255,625.00 | | | 17,804.90 |
| | TRAVELERS CORPORATION | 315,448.35 | 266,000.00 | | | 49,448.35 |
| | UNION CARBIDE CORPORATION | 436,698.98 | 372,625.00 | | | 64,073.98 |
| | UNION PACIFIC CORPORATION | 393,672.70 | 284,625.00 | | | 109,047.70 |
| | WESTINGHOUSE ELECTRIC CORP. | 358,207.91 | 384,000.00 | | 25,792.09 | |
| TOTALS | | \$ 28,185,982.66 | \$ 21,495,473.50 | \$ 55,213.61 | \$ 6,745,722.70 | |
| | | | | NET LOSS | \$ 6,690,509.14 | |



BOND DATA REPORT
JUNE 30, 1969

COUP
RATE

NAME

MATUR PRINCIPAL
DATE
MO YR AMOUNT

U S GOVERNMENT OBLIGATIONS

DIRECT DEBT

U S TREASURY BONDS

| | | |
|-------------------------------------|-------|------------------------|
| 2.500 U S TREASURY BONDS OF 1967-72 | 12 72 | 600,000 600,000 |
| 4.250 U S TREASURY BONDS OF 1975-85 | 5 85 | 3,000,000 3,000,000 |
| 3.250 U S TREASURY BONDS OF 1978-83 | 6 83 | 500,000 500,000 |
| 4.000 U S TREASURY BONDS OF 1980 | 2 80 | 2,800,000 |
| 4.000 U S TREASURY BONDS OF 1980 | 2 80 | 1,885,000 |
| 3.500 U S TREASURY BONDS OF 1980 | 11 80 | 850,000 5,535,000 |
| 3.250 U S TREASURY BONDS OF 1985 | 5 85 | 2,400,000 2,400,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 500,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 500,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 500,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 100,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 625,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 50,000 |
| 3.500 U S TREASURY BONDS OF 1990 | 2 90 | 450,000 2,725,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 500,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 1,000,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 500,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 535,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 800,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 700,000 |
| 4.250 U S TREASURY BONDS OF 1987-92 | 8 92 | 2,000,000 |
| 4.000 U S TREASURY BONDS OF 1988-93 | 2 93 | 2,000,000 8,435,000 |
| 4.125 U S TREASURY BONDS OF 1989-94 | 5 94 | 1,900,000 |
| 3.000 U S TREASURY BONDS OF 1995 | 2 95 | 1,500,000 |
| 3.000 U S TREASURY BONDS OF 1995 | 2 95 | 1,500,000 |
| 3.000 U S TREASURY BONDS OF 1995 | 2 95 | 1,300,000 6,200,000 |
| 3.500 U S TREASURY BONDS OF 1998 | 9 98 | 2,450,000 |



| Coupon RATE | NAME | DATE | PRINCIPAL MO YR AMOUNT |
|----------------|----------------------------|-------|---------------------------|
| 3.500 | U S TREASURY BONDS OF 1998 | 11 98 | 250,000 |
| 3.500 | U S TREASURY BONDS OF 1998 | 11 98 | 1,525,000 |
| 3.500 | U S TREASURY BONDS OF 1998 | 11 98 | 2,660,000 |
| | | | 6,885,000 |

GOVERNMENT AGENCIES & CORPORATIONS

FEDERAL LAND BANK BONDS

FEDERAL NATIONAL MORTGAGE ASSOC BONDS

| | | | |
|-------|---------------------------------|-------|-----------|
| 5.125 | FEDERAL NATIONAL MORTGAGE ASSOC | 2 72 | 1,475,000 |
| 4.500 | FEDERAL NATIONAL MORTGAGE ASSOC | 2 77 | 990,000 |
| 4.500 | FEDERAL NATIONAL MORTGAGE ASSOC | 7 79 | 200,000 |
| 4.500 | FEDERAL NATIONAL MORTGAGE ASSOC | 7 80 | 800,000 |
| 4.700 | FEDERAL NATIONAL MORTGAGE ASSOC | 12 80 | 700,000 |
| 5.450 | FEDERAL NATIONAL MORTGAGE ASSOC | 4 77 | 1,015,000 |
| | | | 5,180,000 |

TENNESSEE VALLEY AUTHORITY

| | | | |
|-------|---------------------------------------|-------|-----------|
| 4.400 | TENNESSEE VALLEY AUTHORITY 1960 SER A | 11 85 | 1,000,000 |
| 4.625 | TENNESSEE VALLEY AUTHORITY 1961 SER A | 7 86 | 300,000 |
| 4.625 | TENNESSEE VALLEY AUTHORITY 1961 SER A | 7 86 | 200,000 |
| 4.625 | TENNESSEE VALLEY AUTHORITY 1961 SER A | 7 86 | 100,000 |
| 4.625 | TENNESSEE VALLEY AUTHORITY 1961 SER A | 7 86 | 400,000 |
| 4.500 | TENNESSEE VALLEY AUTHORITY 1962 SER A | 2 87 | 1,000,000 |
| | | | 3,000,000 |

GOVERNMENT GUARANTEED OBLIGATIONS

| | | | |
|-------|--------------------------------------|-------|---------|
| 4.375 | UNITED STATES LINES AMERICAN CHARGER | 11 86 | 259,000 |
| | | | 259,000 |

CANADIAN OBLIGATIONS

DOMINION OF CANADA

| | | | |
|-------|----------------------|------|---------|
| 2.750 | CANADA EXTERNAL LOAN | 9 74 | 500,000 |
| | | | 500,000 |

CANADIAN PROVINCES

BRITISH COLUMBIA



COUP
RATE

NAME

MATUR PRINCIPAL
DATE
MO YR AMOUNT

| | | |
|--|------|---------|
| 4.750 B.C. S/D CAPITAL FINANCING AUTHORITY | 7 74 | 250,000 |
| 4.750 B.C. S/D CAPITAL FINANCING AUTHORITY | 7 75 | 250,000 |
| | | 500,000 |

ONTARIO

| | | |
|---------------|-------|-----------|
| 4.750 ONTARIO | 9 90 | 250,000 |
| 4.750 ONTARIO | 9 90 | 100,000 |
| 6.875 ONTARIO | 12 97 | 2,000,000 |
| | | 2,350,000 |

| | | |
|----------------------|------|-----------|
| 6.700 CITY OF OTTAWA | 9 87 | 1,969,000 |
| | | 1,969,000 |

QUEBEC

| | | |
|--|-------|-----------|
| 5.000 QUEBEC HYDRO ELECTRIC COMM SER X | 7 84 | 370,000 |
| 3.500 QUEBEC HYDRO ELECTRIC COMM SER K | 12 78 | 95,000 |
| 3.750 QUEBEC HYDRO ELECTRIC COMM SER T | 2 83 | 300,000 |
| 4.625 QUEBEC HYDRO ELECTRIC COMM SER AS | 6 85 | 500,000 |
| 5.250 QUEBEC HYDRO-ELECTRIC COMM AT | 1 87 | 550,000 |
| 6.875 QUEBEC HYDRO ELECTRIC COMM SER BD | 1 89 | 2,500,000 |
| 7.250 QUEBEC HYDRO ELECTRIC COMM SER B G | 11 91 | 1,800,000 |
| | | 6,115,000 |

U S STATE & MUNICIPAL OBLIGATIONS

STATE OBLIGATIONS

CALIFORNIA MUNICIPAL OBLIGATIONS

| | | |
|--|------|---------|
| 3.000 IMPERIAL IRRIGATION DIST-10TH ELEC BDS | 7 78 | 170,000 |
| 3.000 IMPERIAL IRRIGATION DIST-10TH ELEC BDS | 7 78 | 30,000 |
| | | 200,000 |

| | | |
|-------------------------------------|-------|---------|
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 80 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 81 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 82 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 83 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 84 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 85 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 86 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 87 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 88 | 30,000 |
| 1.000 LOS ANGELES - FIRE PROTECTION | 11 89 | 30,000 |
| | | 300,000 |

| | | |
|--|------|---------|
| 3.000 LOS ANGELES CO SANITATION DIST 3 | 5 82 | 100,000 |
| 3.000 LOS ANGELES SANITATION DIST 3 | 83 | 100,000 |
| 3.000 LOS ANGELES SANITATION DIST 3 | 84 | 100,000 |



COUP
RATE

NAME

MATOR PRINCIPAL
DATE
MO YR AMOUNT

| | | | | |
|-------|-----------------------------------|-----------------------|------|---------|
| 3.000 | LOS ANGELES CO | SANITATION DIST 3 | 5 85 | 100,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 3 | 5 86 | 100,000 |
| | | | | 500,000 |
| 2.250 | LOS ANGELES CO | SANIT DIST 15 - SER 1 | 5 71 | 5,000 |
| 2.250 | LOS ANGELES CO | SANIT DIST 15 - SER 1 | 5 72 | 25,000 |
| 2.250 | LOS ANGELES CO | SANIT DIST 15 - SER 1 | 5 73 | 25,000 |
| 2.250 | LOS ANGELES CO | SANIT DIST 15 - SER 1 | 5 76 | 45,000 |
| 2.250 | LOS ANGELES CO | SANIT DIST 15 - SER 1 | 5 77 | 68,000 |
| 3.250 | LOS ANGELES CO | SANITATION DIST 15 | 5 82 | 60,000 |
| 3.250 | LOS ANGELES CO | SANITATION DIST 15 | 5 83 | 60,000 |
| 3.250 | LOS ANGELES CO | SANITATION DIST 15 | 5 84 | 60,000 |
| 3.250 | LOS ANGELES CO | SANITATION DIST 15 | 5 85 | 60,000 |
| 3.250 | LOS ANGELES CO | SANITATION DIST 15 | 5 86 | 60,000 |
| | | | | 468,000 |
| 2.500 | LOS ANGELES CO | SANIT DIST 18 SER 1 | 5 83 | 30,000 |
| 2.500 | LOS ANGELES CO | SANIT DIST 18 SER 1 | 5 84 | 80,000 |
| 2.500 | LOS ANGELES CO | SANIT DIST 18 SER 1 | 5 85 | 90,000 |
| | | | | 200,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 22 | 5 74 | 45,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 22 | 5 76 | 75,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 22 | 5 77 | 60,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 22 | 5 78 | 60,000 |
| 3.000 | LOS ANGELES CO | SANITATION DIST 22 | 5 79 | 60,000 |
| | | | | 300,000 |
| 3.250 | OCEANSIDE CARLSBAD UNION HIGH S/D | | 1 75 | 55,000 |
| 3.250 | OCEANSIDE CARLSBAD UNION HIGH S/D | | 1 76 | 55,000 |
| | | | | 110,000 |

OUT OF STATE MUNICIPALS

OHIO

| | | | |
|-------|------------|------|---------|
| 1.000 | CINCINNATI | 9 71 | 132,000 |
| 1.000 | CINCINNATI | 9 72 | 132,000 |
| 1.000 | CINCINNATI | 9 73 | 132,000 |
| | | | 396,000 |

PENNSYLVANIA

| | | | |
|-------|--------------|-------|--------|
| 5.000 | PHILADELPHIA | 12 70 | 15,000 |
| 5.000 | PHILADELPHIA | 5 71 | 35,000 |
| 2.750 | PHILADELPHIA | 1 71 | 15,000 |
| 2.750 | PHILADELPHIA | 1 71 | 10,000 |
| 2.750 | PHILADELPHIA | 1 72 | 5,000 |



| RATE | NAME | DATE | MO | YR | AMOUNT |
|-------|----------------------|------|----|----|-----------|
| 2.750 | PHILADELPHIA | 1 | 73 | | 20,000 |
| 2.750 | PHILADELPHIA | 1 | 73 | | 10,000 |
| 2.750 | PHILADELPHIA | 1 | 74 | | 20,000 |
| 2.750 | PHILADELPHIA | 1 | 74 | | 10,000 |
| 2.750 | PHILADELPHIA | 1 | 75 | | 45,000 |
| 2.750 | PHILADELPHIA | 1 | 75 | | 7,000 |
| 2.750 | PHILADELPHIA | 1 | 76 | | 25,000 |
| 2.750 | PHILADELPHIA | 1 | 76 | | 60,000 |
| 2.750 | PHILADELPHIA | 7 | 76 | | 5,000 |
| 2.750 | PHILADELPHIA | 7 | 77 | | 10,000 |
| 2.750 | PHILADELPHIA | 1 | 77 | | 35,000 |
| 2.750 | PHILADELPHIA | 1 | 78 | | 45,000 |
| 2.750 | PHILADELPHIA | 7 | 78 | | 20,000 |
| 2.750 | PHILADELPHIA | 1 | 79 | | 65,000 |
| 1.000 | PHILADELPHIA - SER R | 1 | 73 | | 350,000 |
| 1.000 | PHILADELPHIA - SER S | 1 | 74 | | 325,000 |
| 2.750 | PHILADELPHIA | 1 | 82 | | 45,000 |
| 2.750 | PHILADELPHIA | 1 | 83 | | 30,000 |
| 2.750 | PHILADELPHIA | 1 | 84 | | 50,000 |
| 2.750 | PHILADELPHIA | 1 | 85 | | 30,000 |
| | | | | | 1,287,000 |

WASHINGTON

| | | | | | |
|-------|--------------------------------|---|----|--|---------|
| 1.000 | KING COUNTY S/D NO 1 - SEATTLE | 5 | 72 | | 610,000 |
| | | | | | 610,000 |

AUTHORITIES SPECIAL DISTRICTS TOLL RDS

| | | | | | |
|-------|--|---|----|--|---------|
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 8 | 73 | | 5,000 |
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 8 | 77 | | 20,000 |
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 8 | 83 | | 120,000 |
| 4.250 | METROPOLITAN WATER DIST SOUTHERN CALIF | 2 | 74 | | 15,000 |
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 4 | 82 | | 45,000 |
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 4 | 83 | | 80,000 |
| 4.000 | METROPOLITAN WATER DIST SOUTHERN CALIF | 4 | 84 | | 20,000 |
| | | | | | 305,000 |

PUBLIC UTILITY COMPANY BONDS

ELECTRIC COMPANY BONDS

| | | | | | |
|-------|------------------------------|----|----|--|---------|
| 4.500 | ALABAMA POWER | 3 | 91 | | 500,000 |
| | | | | | 500,000 |
| 2.875 | ATLANTIC CITY ELECTRIC SER A | 11 | 80 | | 200,000 |
| 2.875 | ATLANTIC CITY ELECTRIC SER A | 11 | 80 | | 300,000 |
| 3.250 | ATLANTIC CITY ELECTRIC | | 82 | | 250,000 |



COUP
RATE

NAME

MATURE PRINCIPAL
DATE
MO YR AMOUNT

| | | | |
|-------|-----------------------------------|-------|-----------|
| 3.000 | ATLANTIC CITY ELECTRIC | 3 84 | 250,000 |
| 3.250 | ATLANTIC CITY ELECTRIC | 3 85 | 500,000 |
| 3.875 | ATLANTIC CITY ELECTRIC | 4 88 | 1,000,000 |
| 4.500 | ATLANTIC CITY ELECTRIC | 7 92 | 150,000 |
| 4.375 | ATLANTIC CITY ELECTRIC | 3 93 | 500,000 |
| 4.375 | ATLANTIC CITY ELECTRIC | 3 93 | 500,000 |
| 5.250 | ATLANTIC CITY ELECTRIC | 2 96 | 500,000 |
| | | | 4,150,000 |
| 2.750 | BOSTON EDISON SER B | 4 80 | 300,000 |
| 3.000 | BOSTON EDISON SER E | 8 84 | 500,000 |
| 3.000 | BOSTON EDISON SER E | 8 84 | 200,000 |
| 4.250 | BOSTON EDISON SER H | 6 92 | 1,500,000 |
| | | | 2,500,000 |
| 3.375 | BROCKTON EDISON | 6 85 | 500,000 |
| | | | 500,000 |
| 3.875 | CAMBRIDGE ELECTRIC LIGHT SER B | 1 88 | 297,000 |
| | | | 297,000 |
| 4.500 | CAROLINA POWER & LIGHT | 11 91 | 650,000 |
| 4.500 | CAROLINA POWER & LIGHT | 11 91 | 200,000 |
| 4.500 | CAROLINA POWER & LIGHT | 11 91 | 150,000 |
| | | | 1,000,000 |
| 2.750 | CLEVELAND ELECTRIC ILLUMINATING | 9 85 | 500,000 |
| 3.375 | CLEVELAND ELECTRIC ILLUMINATING | 6 86 | 165,000 |
| 3.375 | CLEVELAND ELECTRIC ILLUMINATING | 6 86 | 250,000 |
| 3.875 | CLEVELAND ELECTRIC ILLUMINATING | 3 93 | 300,000 |
| 3.875 | CLEVELAND ELECTRIC ILLUMINATING | 3 93 | 195,000 |
| 3.875 | CLEVELAND ELECTRIC ILLUMINATING | 3 93 | 100,000 |
| 4.375 | CLEVELAND ELECTRIC ILLUMINATING | 4 94 | 500,000 |
| 4.375 | CLEVELAND ELECTRIC ILLUMINATING | 4 94 | 500,000 |
| 3.000 | CLEVELAND ELECTRIC ILLUMINATING | 12 82 | 112,000 |
| | | | 2,622,000 |
| 4.375 | COLUMBUS & SOUTHERN OHIO ELECTRIC | 5 92 | 350,000 |
| 7.000 | COLUMBUS & SOUTHERN OHIO ELECTRIC | 6 98 | 1,000,000 |
| | | | 1,350,000 |
| 4.750 | COMMONWEALTH EDISON | 12 11 | 1,023,000 |
| 3.500 | COMMONWEALTH EDISON SER R | 6 86 | 100,000 |
| 4.250 | COMMONWEALTH EDISON SER S | 3 87 | 300,000 |
| 3.000 | COMMONWEALTH EDISON SER L | 2 77 | 55,000 |
| 3.000 | COMMONWEALTH EDISON SER N | 6 78 | 50,000 |
| 3.000 | COMMONWEALTH EDISON SER O | 5 84 | 410,000 |
| 3.000 | COMMONWEALTH EDISON SER Q | 5 84 | 90,000 |
| 3.000 | COMMONWEALTH EDISON SER Q | 5 84 | 100,000 |
| 3.750 | COMMONWEALTH EDISON SER T | 3 88 | 700,000 |
| 3.750 | COMMONWEALTH EDISON SER T | 3 88 | 100,000 |
| 3.750 | COMMONWEALTH EDISON SER T | 3 88 | 275,000 |
| 2.750 | COMMONWEALTH EDISON | 4 99 | 295,000 |
| 2.750 | COMMONWEALTH EDISON | 4 99 | 100,000 |
| | | | 3,598,000 |



RATE

NAME

DATE
MO YR AMOUNT

| | | | |
|-------|---------------------------|------|-----------|
| 5.250 | COMMONWEALTH EDISON SER V | 4 96 | 1,000,000 |
| | | | 1,000,000 |

| | | | |
|-------|----------------------|------|-----------|
| 2.875 | DALLAS POWER & LIGHT | 4 79 | 100,000 |
| 2.750 | DALLAS POWER & LIGHT | 6 80 | 50,000 |
| 3.500 | DALLAS POWER & LIGHT | 3 83 | 500,000 |
| 3.500 | DALLAS POWER & LIGHT | 3 83 | 100,000 |
| 3.125 | DALLAS POWER & LIGHT | 2 86 | 850,000 |
| 4.250 | DALLAS POWER & LIGHT | 2 93 | 500,000 |
| 4.250 | DALLAS POWER & LIGHT | 2 93 | 100,000 |
| 4.250 | DALLAS POWER & LIGHT | 2 93 | 165,000 |
| | | | 2,365,000 |

| | | | |
|-------|----------------------|-------|-----------|
| 2.750 | DETROIT EDISON SER I | 9 82 | 113,000 |
| 2.875 | DETROIT EDISON SER N | 3 84 | 115,000 |
| 2.875 | DETROIT EDISON SER N | 3 84 | 221,000 |
| 3.375 | DETROIT EDISON SER K | 11 76 | 225,000 |
| 3.375 | DETROIT EDISON SER K | 11 76 | 140,000 |
| 3.250 | DETROIT EDISON SER O | 5 80 | 300,000 |
| 3.250 | DETROIT EDISON SER O | 5 80 | 223,000 |
| 2.750 | DETROIT EDISON SER J | 3 85 | 275,000 |
| 4.625 | DETROIT EDISON SER Q | 6 89 | 1,000,000 |
| | | | 2,612,000 |

| | | | |
|-------|----------------------|-------|-----------|
| 6.400 | DETROIT EDISON SER S | 10 98 | 1,000,000 |
| | | | 1,000,000 |

| | | | |
|-------|------------------|------|-----------|
| 4.250 | DUKE POWER SER B | 8 92 | 500,000 |
| 4.250 | DUKE POWER SER B | 8 92 | 500,000 |
| 4.500 | DUKE POWER | 2 95 | 1,000,000 |
| 3.000 | DUKE POWER | 1 75 | 162,000 |
| 3.000 | DUKE POWER | 1 75 | 428,000 |
| 3.000 | DUKE POWER | 1 75 | 50,000 |
| 2.875 | DUKE POWER | 2 79 | 60,000 |
| 2.875 | DUKE POWER | 2 79 | 250,000 |
| 3.250 | DUKE POWER | 4 81 | 200,000 |
| 3.250 | DUKE POWER | 4 81 | 150,000 |
| 3.250 | DUKE POWER | 4 81 | 225,000 |
| 3.625 | DUKE POWER | 5 86 | 50,000 |
| 3.625 | DUKE POWER | 5 86 | 100,000 |
| 4.500 | DUKE POWER | 2 92 | 700,000 |
| 4.500 | DUKE POWER | 2 92 | 300,000 |
| 4.500 | DUKE POWER | 2 92 | 250,000 |
| | | | 4,925,000 |

| | | | |
|-------|----------------|------|---------|
| 2.750 | DUQUESNE LIGHT | 8 80 | 350,000 |
| 3.250 | DUQUESNE LIGHT | 9 82 | 400,000 |
| 3.250 | DUQUESNE LIGHT | 9 82 | 150,000 |
| 3.125 | DUQUESNE LIGHT | 7 84 | 250,000 |
| 3.500 | DUQUESNE LIGHT | 4 86 | 100,000 |
| 3.750 | DUQUESNE LIGHT | 4 88 | 200,000 |
| 3.750 | DUQUESNE LIGHT | 4 88 | 75,000 |
| 2.750 | DUQUESNE LIGHT | 8 77 | 100,000 |
| 2.625 | DUQUESNE LIGHT | 7 79 | 100,000 |



| GROUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|---------------|-------------------------------|---------------|---------------------------|
| 5.250 | DUQUESNE LIGHT | 2 97 | 750,000 2,475,000 |
| 4.625 | ELPASO ELECTRIC | 2 92 | 700,000 700,000 |
| 4.750 | FLORIDA POWER | 10 90 | 418,000 |
| 4.250 | FLORIDA POWER | 5 92 | 500,000 918,000 |
| 4.625 | FLORIDA POWER & LIGHT | 3 95 | 600,000 |
| 3.125 | FLORIDA POWER & LIGHT | 6 78 | 25,000 |
| 3.125 | FLORIDA POWER & LIGHT | 6 78 | 125,000 |
| 3.875 | FLORIDA POWER & LIGHT | 4 83 | 393,000 |
| 3.875 | FLORIDA POWER & LIGHT | 4 83 | 25,000 |
| 4.375 | FLORIDA POWER & LIGHT | 12 86 | 330,000 |
| 3.625 | FLORIDA POWER & LIGHT | 11 81 | 100,000 |
| 4.625 | FLORIDA POWER & LIGHT | 4 94 | 700,000 2,298,000 |
| 7.000 | FLORIDA POWER & LIGHT | 6 98 | 1,285,000 1,285,000 |
| 3.000 | GULF STATES UTILITIES | 4 78 | 100,000 |
| 2.750 | GULF STATES UTILITIES | 12 79 | 200,000 |
| 2.750 | GULF STATES UTILITIES | 6 80 | 200,000 |
| 3.125 | GULF STATES UTILITIES | 12 82 | 250,000 |
| 3.375 | GULF STATES UTILITIES | 12 83 | 250,000 |
| 4.250 | GULF STATES UTILITIES | 9 86 | 500,000 1,500,000 |
| 4.375 | HARTFORD ELECTRIC LIGHT SER E | 10 88 | 520,000 |
| 4.250 | HARTFORD ELECTRIC LIGHT | 4 93 | 1,100,000 |
| 4.250 | HARTFORD ELECTRIC LIGHT | 4 93 | 100,000 1,720,000 |
| 4.450 | HAWAIIAN ELECTRIC SER M | 7 93 | 1,000,000 |
| 4.550 | HAWAIIAN ELECTRIC SER N | 2 95 | 1,500,000 2,500,000 |
| 2.875 | HOUSTON LIGHTING & POWER | 11 74 | 215,000 |
| 3.250 | HOUSTON LIGHTING & POWER | 3 86 | 300,000 |
| 3.250 | HOUSTON LIGHTING & POWER | 3 86 | 65,000 |
| 3.000 | HOUSTON LIGHTING & POWER | 3 89 | 242,000 |
| 3.000 | HOUSTON LIGHTING & POWER | 3 89 | 258,000 |
| 5.250 | HOUSTON LIGHTING & POWER | 4 96 | 350,000 |
| 5.250 | HOUSTON LIGHTING & POWER | 1 97 | 500,000 2,330,000 |
| 3.250 | IDAHO POWER | 10 81 | 500,000 |
| 3.250 | IDAHO POWER | 10 81 | 85,000 |
| 3.250 | IDAHO POWER | 10 81 | 300,000 |
| 4.500 | IDAHO POWER | 1 87 | 400,000 |
| 4.000 | IDAHO POWER | 4 88 | 300,000 1,585,000 |



| NAME | MO | YR | AMOUNT |
|--------------------------------------|----|----|-----------|
| .000 INDIANA & MICHIGAN ELECTRIC | 9 | 78 | 214,000 |
| .750 INDIANA & MICHIGAN ELECTRIC | 6 | 80 | 196,000 |
| .750 INDIANA & MICHIGAN ELECTRIC | 6 | 80 | 65,000 |
| .250 INDIANA & MICHIGAN ELECTRIC | 1 | 82 | 25,000 |
| .250 INDIANA & MICHIGAN ELECTRIC | 1 | 82 | 200,000 |
| | | | 700,000 |
| .625 INDIANAPOLIS POWER & LIGHT | 6 | 86 | 800,000 |
| .625 INDIANAPOLIS POWER & LIGHT | 6 | 86 | 300,000 |
| .625 INDIANAPOLIS POWER & LIGHT | 6 | 86 | 250,000 |
| .625 INDIANAPOLIS POWER & LIGHT | 6 | 86 | 120,000 |
| .625 INDIANAPOLIS POWER & LIGHT | 6 | 86 | 500,000 |
| .875 INDIANAPOLIS POWER & LIGHT | 2 | 81 | 300,000 |
| .125 INDIANAPOLIS POWER & LIGHT | 5 | 98 | 1,175,000 |
| | | | 3,445,000 |
| .750 KANSAS CITY POWER & LIGHT | 12 | 76 | 31,000 |
| .750 KANSAS CITY POWER & LIGHT | 12 | 76 | 500,000 |
| .750 KANSAS CITY POWER & LIGHT | 6 | 80 | 350,000 |
| .250 KANSAS CITY POWER & LIGHT | 1 | 83 | 500,000 |
| .000 KANSAS CITY POWER & LIGHT | 1 | 90 | 600,000 |
| .250 KANSAS CITY POWER & LIGHT | 2 | 85 | 75,000 |
| | | | 1,856,000 |
| .250 WORCESTER COUNTY ELECTRIC SER B | 3 | 81 | 125,000 |
| .375 WORCESTER COUNTY ELECTRIC SER D | 10 | 85 | 500,000 |
| .375 MASSACHUSETTS ELECTRIC SER G | 9 | 92 | 300,000 |
| | | | 925,000 |
| .875 METROPOLITAN EDISON | 11 | 74 | 58,000 |
| .875 METROPOLITAN EDISON | 11 | 74 | 110,000 |
| .750 METROPOLITAN EDISON | 12 | 80 | 500,000 |
| .250 METROPOLITAN EDISON | 3 | 82 | 250,000 |
| | | | 918,000 |
| .000 NARRAGANSETT ELECTRIC SER A | 9 | 74 | 340,000 |
| .000 NARRAGANSETT ELECTRIC SER B | 5 | 78 | 160,000 |
| .375 NARRAGANSETT ELECTRIC SER C | 3 | 82 | 250,000 |
| .375 NARRAGANSETT ELECTRIC SER C | 3 | 82 | 250,000 |
| .375 NARRAGANSETT ELECTRIC SER C | 3 | 82 | 115,000 |
| .500 NARRAGANSETT ELECTRIC SER D | 3 | 83 | 250,000 |
| .500 NARRAGANSETT ELECTRIC SER D | 3 | 83 | 100,000 |
| .500 NARRAGANSETT ELECTRIC SER E | 3 | 86 | 250,000 |
| .500 NARRAGANSETT ELECTRIC SER E | 3 | 86 | 150,000 |
| .500 NARRAGANSETT ELECTRIC SER E | 3 | 86 | 80,000 |
| | | | 1,945,000 |
| .250 NEW ENGLAND POWER SER F | 1 | 85 | 300,000 |
| .250 NEW ENGLAND POWER SER F | 1 | 85 | 150,000 |
| .000 NEW ENGLAND POWER SER H | 6 | 88 | 400,000 |
| .000 NEW ENGLAND POWER SER H | 6 | 88 | 400,000 |
| | | | 1,250,000 |
| .000 OHIO EDISON | 9 | 74 | 69,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|------------------------------|---------------|---------------------------|
| 3.250 | OHIO EDISON SER 1954 | 1 84 | 400,000 |
| 3.250 | OHIO EDISON SER 1955 | 5 85 | 80,000 |
| 3.250 | OHIO EDISON SER 1955 | 5 85 | 520,000 |
| 4.500 | OHIO EDISON | 4 89 | 250,000 |
| 4.500 | OHIO EDISON | 4 89 | 250,000 |
| 4.500 | OHIO EDISON | 4 89 | 200,000 |
| 4.750 | OHIO EDISON | 6 91 | 250,000 |
| 4.750 | OHIO EDISON | 6 91 | 150,000 |
| 4.750 | OHIO EDISON | 6 91 | 100,000 |
| | | | 2,269,000 |
| 3.000 | OHIO POWER | 4 78 | 500,000 |
| 3.125 | OHIO POWER | 4 84 | 500,000 |
| 3.375 | OHIO POWER | 9 85 | 205,000 |
| 4.250 | OHIO POWER | 11 86 | 100,000 |
| | | | 1,305,000 |
| 3.750 | OHIO VALLEY ELECTRIC | 1 82 | 1,108,000 |
| | | | 1,108,000 |
| 3.250 | OKLAHOMA GAS & ELECTRIC | 6 85 | 485,000 |
| 4.500 | OKLAHOMA GAS & ELECTRIC | 1 87 | 105,000 |
| 4.500 | OKLAHOMA GAS & ELECTRIC | 1 87 | 295,000 |
| 3.875 | OKLAHOMA GAS & ELECTRIC | 6 88 | 400,000 |
| 3.875 | OKLAHOMA GAS & ELECTRIC | 6 88 | 200,000 |
| 3.875 | OKLAHOMA GAS & ELECTRIC | 6 88 | 50,000 |
| 3.875 | OKLAHOMA GAS & ELECTRIC | 6 88 | 93,000 |
| 4.500 | OKLAHOMA GAS & ELECTRIC | 3 95 | 650,000 |
| | | | 2,278,000 |
| 4.125 | PACIFIC POWER & LIGHT | 10 82 | 300,000 |
| 3.750 | PACIFIC POWER & LIGHT | 3 84 | 200,000 |
| 4.250 | PACIFIC POWER & LIGHT | 1 88 | 100,000 |
| 4.375 | PACIFIC POWER & LIGHT | 7 88 | 50,000 |
| | | | 650,000 |
| 4.625 | PENNSYLVANIA POWER & LIGHT | 12 91 | 650,000 |
| 5.625 | PENNSYLVANIA POWER & LIGHT | 6 96 | 840,000 |
| | | | 1,490,000 |
| 3.625 | POTOMAC ELECTRIC POWER | 6 91 | 300,000 |
| 4.375 | POTOMAC ELECTRIC POWER | 2 98 | 455,000 |
| 4.375 | POTOMAC ELECTRIC POWER | 2 98 | 545,000 |
| 3.000 | POTOMAC ELECTRIC POWER | 1 83 | 100,000 |
| 2.750 | POTOMAC ELECTRIC POWER | 5 85 | 400,000 |
| 3.250 | POTOMAC ELECTRIC POWER | 3 87 | 250,000 |
| 3.875 | POTOMAC ELECTRIC POWER | 6 88 | 250,000 |
| 3.375 | POTOMAC ELECTRIC POWER | 6 90 | 200,000 |
| | | | 2,500,000 |
| 3.375 | PUBLIC SERVICE INDIANA SER J | 7 82 | 500,000 |
| 3.375 | PUBLIC SERVICE INDIANA SER K | 1 84 | 500,000 |
| 3.375 | PUBLIC SERVICE INDIANA SER K | 1 84 | 100,000 |
| 4.375 | PUBLIC SERVICE INDIANA SER M | 2 89 | 420,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|----------------------------------|---------------|---------------------------|
| 3.125 | PUBLIC SERVICE OKLAHOMA SER C | 4 81 | 500,000 |
| 3.375 | PUBLIC SERVICE OKLAHOMA SER D | 3 83 | 500,000 |
| 4.250 | PUBLIC SERVICE OKLAHOMA SER F | 2 87 | 300,000 |
| 3.875 | PUBLIC SERVICE OKLAHOMA SER G | 5 88 | 300,000 |
| 4.125 | PUBLIC SERVICE OKLAHOMA SER I | 1 93 | 500,000 |
| 4.125 | PUBLIC SERVICE OKLAHOMA SER I | 1 93 | 270,000 |
| 4.125 | PUBLIC SERVICE OKLAHOMA SER I | 1 93 | 702,000 |
| | | | 3,072,000 |
| 5.250 | PUBLIC SERVICE OKLAHOMA SER J | 3 96 | 750,000 |
| | | | 750,000 |
| 2.875 | SOUTHERN CALIFORNIA EDISON SER C | 2 76 | 500,000 |
| 3.625 | SOUTHERN CALIFORNIA EDISON SER E | 8 78 | 256,000 |
| 4.750 | SOUTHERN CALIFORNIA EDISON SER I | 7 82 | 400,000 |
| 4.875 | SOUTHERN CALIFORNIA EDISON SER J | 9 82 | 100,000 |
| 4.625 | SOUTHERN CALIFORNIA EDISON SER K | 9 83 | 770,000 |
| 4.500 | SOUTHERN CALIFORNIA EDISON SER N | 4 86 | 750,000 |
| 4.250 | SOUTHERN CALIFORNIA EDISON SER O | 5 87 | 630,000 |
| 4.375 | SOUTHERN CALIFORNIA EDISON SER Q | 5 88 | 600,000 |
| 4.375 | SOUTHERN CALIFORNIA EDISON SER Q | 5 88 | 400,000 |
| 4.375 | SOUTHERN CALIFORNIA EDISON SER R | 3 89 | 200,000 |
| 4.375 | SOUTHERN CALIFORNIA EDISON SER R | 3 89 | 100,000 |
| | | | 4,706,000 |
| 4.500 | SOUTHWESTERN PUBLIC SERVICE | 2 91 | 974,000 |
| 4.500 | SOUTHWESTERN PUBLIC SERVICE | 2 94 | 700,000 |
| 5.700 | SOUTHWESTERN PUBLIC SERVICE | 2 97 | 500,000 |
| | | | 2,174,000 |
| 4.125 | TAMPA ELECTRIC | 8 86 | 495,000 |
| 4.250 | TAMPA ELECTRIC | 7 88 | 530,000 |
| 4.250 | TAMPA ELECTRIC | 7 88 | 45,000 |
| 4.500 | TAMPA ELECTRIC | 5 93 | 1,000,000 |
| 4.500 | TAMPA ELECTRIC | 5 93 | 500,000 |
| | | | 2,570,000 |
| 2.750 | TEXAS ELECTRIC SERVICE | 3 75 | 50,000 |
| 2.750 | TEXAS ELECTRIC SERVICE | 3 75 | 45,000 |
| 3.375 | TEXAS ELECTRIC SERVICE | 6 81 | 250,000 |
| 3.250 | TEXAS ELECTRIC SERVICE | 5 82 | 300,000 |
| 3.250 | TEXAS ELECTRIC SERVICE | 3 86 | 600,000 |
| 4.375 | TEXAS ELECTRIC SERVICE | 4 93 | 500,000 |
| 4.375 | TEXAS ELECTRIC SERVICE | 4 93 | 500,000 |
| 4.375 | TEXAS ELECTRIC SERVICE | 4 93 | 500,000 |
| | | | 2,745,000 |
| 2.750 | TEXAS POWER & LIGHT | 5 75 | 200,000 |
| 3.000 | TEXAS POWER & LIGHT | 10 77 | 335,000 |
| 3.000 | TEXAS POWER & LIGHT | 4 78 | 78,000 |
| 3.250 | TEXAS POWER & LIGHT | 4 82 | 335,000 |
| 3.125 | TEXAS POWER & LIGHT | 10 84 | 54,000 |
| 4.625 | TEXAS POWER & LIGHT | 1 87 | 550,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|--------------------------------------|---------------|---------------------------|
| 6.125 | TOLEDO EDISON CO | 8 97 | 1,000,000 1,000,000 |
| 2.875 | UNION ELECTRIC MISSOURI | 12 80 | 500,000 |
| 3.250 | UNION ELECTRIC MISSOURI | 5 82 | 250,000 |
| 4.750 | UNION ELECTRIC | 9 90 | 100,000 |
| 4.750 | UNION ELECTRIC | 9 90 | 100,000 950,000 |
| 4.875 | UNITED ILLUMINATING SER 1991 | 7 91 | 1,000,000 1,000,000 |
| 4.500 | UTAH POWER & LIGHT | 6 92 | 250,000 |
| 4.500 | UTAH POWER & LIGHT | 6 92 | 100,000 |
| 4.500 | UTAH POWER & LIGHT | 6 92 | 100,000 |
| 3.625 | UTAH POWER & LIGHT | 9 85 | 300,000 |
| 4.500 | UTAH POWER & LIGHT | 4 93 | 300,000 1,250,000 |
| 2.750 | VIRGINIA ELECTRIC & POWER SER E | 3 75 | 135,000 |
| 2.750 | VIRGINIA ELECTRIC & POWER SER H | 9 80 | 300,000 |
| 2.750 | VIRGINIA ELECTRIC & POWER SER H | 9 80 | 200,000 |
| 3.250 | VIRGINIA ELECTRIC & POWER SER J | 10 82 | 250,000 |
| 3.250 | VIRGINIA ELECTRIC & POWER SER J | 10 82 | 200,000 |
| 3.125 | VIRGINIA ELECTRIC & POWER SER K | 5 84 | 115,000 |
| 3.125 | VIRGINIA ELECTRIC & POWER SER K | 5 84 | 30,000 |
| 3.250 | VIRGINIA ELECTRIC & POWER SER L | 6 85 | 500,000 |
| 4.500 | VIRGINIA ELECTRIC & POWER SER N | 12 87 | 400,000 |
| 3.875 | VIRGINIA ELECTRIC & POWER SER O | 6 88 | 500,000 |
| 3.875 | VIRGINIA ELECTRIC & POWER SER O | 6 88 | 100,000 |
| 4.375 | VIRGINIA ELECTRIC & POWER SER R | 5 93 | 1,000,000 |
| 4.375 | VIRGINIA ELECTRIC & POWER SER R | 5 93 | 500,000 |
| 5.125 | VIRGINIA ELECTRIC & POWER SER W | 2 97 | 825,000 5,075,000 |
| 3.750 | WASHINGTON WATER POWER | 10 82 | 223,000 223,000 |
| 3.000 | WEST PENN POWER SER L | 5 74 | 75,000 |
| 3.000 | WEST PENN POWER SER L | 5 74 | 60,000 |
| 3.000 | WEST PENN POWER SER L | 5 74 | 40,000 |
| 3.000 | WEST PENN POWER SER L | 5 74 | 265,000 |
| 3.000 | WEST PENN POWER SER M | 3 78 | 215,000 |
| 3.250 | WEST PENN POWER SER O | 4 82 | 270,000 |
| 4.500 | WEST PENN POWER SER S | 3 92 | 300,000 1,225,000 |
| 3.125 | WESTERN MASSACHUSETTS ELECTRIC SER B | 10 84 | 7,000 |
| 3.125 | WESTERN MASSACHUSETTS ELECTRIC SER B | 10 84 | 493,000 |
| 4.375 | WESTERN MASSACHUSETTS ELECTRIC SER C | 4 87 | 300,000 |
| 4.375 | WESTERN MASSACHUSETTS ELECTRIC SER C | 4 87 | 455,000 1,255,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|--------------------------------|---------------|---------------------------|
| 3.250 | WISCONSIN ELECTRIC POWER SER M | 5 82 | 500,000 |
| 3.125 | WISCONSIN ELECTRIC POWER | 5 84 | 400,000 |
| 3.875 | WISCONSIN ELECTRIC POWER | 4 86 | 500,000 |
| 4.125 | WISCONSIN ELECTRIC POWER | 4 88 | 475,000 |
| 4.125 | WISCONSIN ELECTRIC POWER | 4 88 | 101,000 |
| | | | 2,076,000 |

GAS DISTRIBUTION COMPANY BONDS

| | | | |
|-------|-------------------------------|-------|-----------|
| 4.750 | CONSOLIDATED NATURAL GAS | 5 86 | 250,000 |
| 4.750 | CONSOLIDATED NATURAL GAS | 5 86 | 275,000 |
| 4.750 | CONSOLIDATED NATURAL GAS | 5 86 | 75,000 |
| 4.375 | CONSOLIDATED NATURAL GAS | 4 88 | 139,000 |
| 4.375 | CONSOLIDATED NATURAL GAS | 4 88 | 750,000 |
| | | | 1,489,000 |
| 4.625 | LACLEDE GAS | 6 89 | 500,000 |
| | | | 500,000 |
| 6.125 | LONE STAR GAS | 6 92 | 1,000,000 |
| | | | 1,000,000 |
| 4.625 | NORTHERN ILLINOIS GAS | 7 85 | 474,000 |
| 4.500 | NORTHERN ILLINOIS GAS | 8 89 | 500,000 |
| 4.500 | NORTHERN ILLINOIS GAS | 8 89 | 500,000 |
| | | | 1,474,000 |
| 3.250 | SOUTHERN CALIFORNIA GAS | 10 70 | 173,000 |
| 3.875 | SOUTHERN CALIFORNIA GAS SER B | 6 81 | 325,000 |
| 4.625 | SOUTHERN CALIFORNIA GAS SER F | 9 89 | 500,000 |
| 5.875 | SOUTHERN CALIFORNIA GAS SER G | 12 91 | 1,500,000 |
| | | | 2,498,000 |
| 3.000 | SOUTHERN COUNTIES GAS | 1 71 | 64,000 |
| 3.000 | SOUTHERN COUNTIES GAS | 1 71 | 60,000 |
| 4.000 | SOUTHERN COUNTIES GAS SER C | 5 83 | 61,000 |
| 4.000 | SOUTHERN COUNTIES GAS SER C | 5 83 | 120,000 |
| 4.000 | SOUTHERN COUNTIES GAS SER C | 5 83 | 150,000 |
| | | | 455,000 |
| 6.250 | WASHINGTON GAS LIGHT | 6 92 | 500,000 |
| | | | 500,000 |

GAS & ELECTRIC COMPANY BONDS

| | | | |
|-------|------------------------|-------|-----------|
| 4.450 | ARIZONA PUBLIC SERVICE | 6 92 | 1,000,000 |
| 4.400 | ARIZONA PUBLIC SERVICE | 12 92 | 1,000,000 |
| 6.250 | ARIZONA PUBLIC SERVICE | 9 97 | 1,500,000 |
| | | | 3,500,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|--|---------------|---------------------------|
| 4.875 | BALTIMORE GAS & ELECTRIC | 6 80 | 299,000 |
| 2.750 | CONS GAS ELEC LIGHT & POWER BALT SER X | 1 86 | 500,000 |
| 4.875 | BALTIMORE GAS & ELECTRIC | 6 86 | 459,000 |
| 3.000 | CONS GAS ELEC LIGHT & POWER BALT SER Z | 7 89 | 500,000 |
| 3.250 | BALTIMORE GAS & ELECTRIC | 12 90 | 500,000 |
| 4.375 | BALTIMORE GAS & ELECTRIC SER H | 7 92 | 800,000 |
| 4.500 | BALTIMORE GAS & ELECTRIC | 7 94 | 500,000 |
| | | | 3,785,000 |
| 4.650 | CALIFORNIA-PACIFIC UTILITIES SER K | 4 94 | 500,000 |
| | | | 500,000 |
| 3.250 | CENTRAL ILLINOIS LIGHT | 12 81 | 500,000 |
| 4.000 | CENTRAL ILLINOIS LIGHT | 7 88 | 600,000 |
| 4.000 | CENTRAL ILLINOIS LIGHT | 7 88 | 100,000 |
| 5.125 | CENTRAL ILLINOIS LIGHT | 2 96 | 500,000 |
| 5.500 | CENTRAL ILLINOIS LIGHT | 3 97 | 750,000 |
| | | | 2,450,000 |
| 3.500 | CENTRAL ILLINOIS PUBLIC SERVICE SER E | 9 82 | 300,000 |
| 4.500 | CENTRAL ILLINOIS PUBLIC SERVICE SER I | 5 93 | 747,000 |
| 4.125 | CENTRAL ILLINOIS PUBLIC SERVICE SER G | 2 88 | 250,000 |
| 4.625 | CENTRAL ILLINOIS PUBLIC SERVICE SER K | 6 95 | 500,000 |
| | | | 1,797,000 |
| 2.750 | CINCINNATI GAS & ELECTRIC | 10 75 | 200,000 |
| 2.750 | CINCINNATI GAS & ELECTRIC | 10 75 | 100,000 |
| 2.750 | CINCINNATI GAS & ELECTRIC | 10 75 | 108,000 |
| 2.875 | CINCINNATI GAS & ELECTRIC | 7 78 | 169,000 |
| 4.375 | CINCINNATI GAS & ELECTRIC | 6 92 | 1,000,000 |
| 4.375 | CINCINNATI GAS & ELECTRIC | 6 92 | 100,000 |
| | | | 1,677,000 |
| 5.500 | CITIZENS UTILITIES | 12 90 | 327,000 |
| | | | 327,000 |
| 3.000 | CONNECTICUT LIGHT & POWER SER K | 10 80 | 245,000 |
| 3.250 | CONNECTICUT LIGHT & POWER SER M | 12 82 | 1,000,000 |
| 3.250 | CONNECTICUT LIGHT & POWER SER N | 12 85 | 245,000 |
| 3.875 | CONNECTICUT LIGHT & POWER SER O | 1 88 | 60,000 |
| 3.875 | CONNECTICUT LIGHT & POWER SER O | 1 88 | 80,000 |
| 3.875 | CONNECTICUT LIGHT & POWER SER O | 1 88 | 100,000 |
| 4.375 | CONNECTICUT LIGHT & POWER SER R | 9 93 | 1,000,000 |
| | | | 2,730,000 |
| 3.000 | CONSOLIDATED EDISON NEW YORK SER E | 1 79 | 300,000 |
| 3.250 | CONSOLIDATED EDISON NEW YORK SER G | 5 81 | 260,000 |
| 3.375 | CONSOLIDATED EDISON NEW YORK SER H | 3 82 | 200,000 |
| 2.750 | CONSOLIDATED EDISON NEW YORK SER A | 3 82 | 190,000 |
| 3.500 | CONSOLIDATED EDISON NEW YORK SER I | 2 83 | 250,000 |
| 4.000 | CONSOLIDATED EDISON NEW YORK SER O | 6 88 | 240,000 |
| 4.000 | CONSOLIDATED EDISON NEW YORK SER O | 6 88 | 412,000 |
| 4.000 | CONSOLIDATED EDISON NEW YORK SER O | 6 88 | 400,000 |
| 4.000 | CONSOLIDATED EDISON NEW YORK SER O | 6 88 | 400,000 |



| COPP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|-------------------------------------|---------------|---------------------------|
| 5.000 | CONSOLIDATED EDISON NEW YORK SER S | 12 90 | 170,000 |
| 4.625 | CONSOLIDATED EDISON NEW YORK SER U | 11 91 | 500,000 |
| | | | 3,722,000 |
| 4.375 | CONSOLIDATED EDISON NEW YORK SER V | 6 92 | 300,000 |
| 4.600 | CONSOLIDATED EDISON NEW YORK SER BB | 10 94 | 1,000,000 |
| 5.000 | CONSOLIDATED EDISON NEW YORK SER CC | 1 96 | 100,000 |
| | | | 1,400,000 |
| 4.625 | CONSUMERS POWER | 8 89 | 241,000 |
| 4.625 | CONSUMERS POWER | 8 89 | 50,000 |
| 4.625 | CONSUMERS POWER | 8 89 | 203,000 |
| 4.625 | CONSUMERS POWER | 8 89 | 125,000 |
| 4.625 | CONSUMERS POWER | 8 89 | 181,000 |
| 4.625 | CONSUMERS POWER | 12 90 | 500,000 |
| 4.625 | CONSUMERS POWER | 8 91 | 500,000 |
| 2.875 | CONSUMERS POWER | 9 75 | 65,000 |
| 2.875 | CONSUMERS POWER | 9 75 | 122,000 |
| 3.125 | CONSUMERS POWER | 4 81 | 350,000 |
| 3.125 | CONSUMERS POWER | 4 81 | 50,000 |
| 3.125 | CONSUMERS POWER | 4 81 | 100,000 |
| 4.000 | CONSUMERS POWER | 8 86 | 75,000 |
| 4.000 | CONSUMERS POWER | 8 86 | 185,000 |
| 4.000 | CONSUMERS POWER | 8 86 | 245,000 |
| 4.000 | CONSUMERS POWER | 8 86 | 340,000 |
| 4.000 | CONSUMERS POWER | 8 86 | 100,000 |
| 3.250 | CONSUMERS POWER | 4 87 | 200,000 |
| 4.500 | CONSUMERS POWER | 10 88 | 100,000 |
| 4.500 | CONSUMERS POWER | 10 88 | 780,000 |
| | | | 4,512,000 |
| 6.000 | CONSUMERS POWER CO | 7 97 | 1,000,000 |
| | | | 1,000,000 |
| 2.750 | DAYTON POWER & LIGHT | 10 75 | 100,000 |
| 2.750 | DAYTON POWER & LIGHT | 10 75 | 100,000 |
| 2.750 | DAYTON POWER & LIGHT | 10 75 | 97,000 |
| 3.000 | DAYTON POWER & LIGHT | 1 78 | 121,000 |
| 3.000 | DAYTON POWER & LIGHT | 12 78 | 229,000 |
| 3.000 | DAYTON POWER & LIGHT | 9 84 | 450,000 |
| 4.450 | DAYTON POWER & LIGHT | 6 93 | 1,000,000 |
| | | | 2,097,000 |
| 2.750 | DELAWARE POWER & LIGHT | 9 80 | 400,000 |
| 3.500 | DELAWARE POWER & LIGHT | 12 85 | 500,000 |
| 3.875 | DELAWARE POWER & LIGHT | 6 88 | 100,000 |
| | | | 1,000,000 |
| 3.125 | ILLINOIS POWER | 2 78 | 300,000 |
| 3.125 | ILLINOIS POWER | 2 78 | 100,000 |
| 3.750 | ILLINOIS POWER | 7 86 | 800,000 |
| 3.750 | ILLINOIS POWER | 7 86 | 300,000 |
| 4.000 | ILLINOIS POWER | 5 88 | 300,000 |
| 4.000 | ILLINOIS POWER | 5 88 | 200,000 |



| COUP RATE | NAME | MATUR DATE MO YR | PRINCIPAL AMOUNT |
|--------------|-------------------------------|------------------------|---------------------|
| 4.000 | ILLINOIS POWER | 5 88 | 100,000 |
| 2.875 | ILLINOIS POWER | 7 79 | 100,000 |
| 4.250 | ILLINOIS POWER | 1 93 | 400,000 |
| 5.850 | ILLINOIS POWER | 10 96 | 250,000 |
| 5.850 | ILLINOIS POWER | 10 96 | 200,000 |
| | | | 3,050,000 |
| 2.750 | IOWA ILLINOIS GAS & ELECTRIC | 10 79 | 100,000 |
| 3.375 | IOWA ILLINOIS GAS & ELECTRIC | 1 83 | 500,000 |
| | | | 600,000 |
| 3.250 | IOWA POWER & LIGHT | 8 73 | 49,000 |
| 3.000 | IOWA POWER & LIGHT | 2 78 | 100,000 |
| 3.000 | IOWA POWER & LIGHT | 2 78 | 100,000 |
| 2.750 | IOWA POWER & LIGHT | 12 79 | 249,000 |
| 3.375 | IOWA POWER & LIGHT | 12 83 | 498,000 |
| 3.625 | IOWA POWER & LIGHT | 6 86 | 500,000 |
| 3.625 | IOWA POWER & LIGHT | 1 88 | 500,000 |
| 4.625 | IOWA POWER & LIGHT | 1 91 | 450,000 |
| | | | 2,446,000 |
| 2.750 | LOUISVILLE GAS & ELECTRIC | 11 79 | 225,000 |
| 2.750 | LOUISVILLE GAS & ELECTRIC | 11 79 | 100,000 |
| 3.125 | LOUISVILLE GAS & ELECTRIC | 2 82 | 175,000 |
| 4.875 | LOUISVILLE GAS & ELECTRIC | 9 87 | 500,000 |
| | | | 1,000,000 |
| 5.500 | LONG ISLAND LIGHTING SER O | 4 97 | 750,000 |
| | | | 750,000 |
| 4.625 | MADISON GAS & ELECTRIC | 10 88 | 481,000 |
| | | | 481,000 |
| 2.875 | MONTANA POWER | 10 75 | 82,000 |
| 2.875 | MONTANA POWER | 10 75 | 40,000 |
| 2.875 | MONTANA POWER | 10 75 | 225,000 |
| 3.125 | MONTANA POWER | 5 84 | 600,000 |
| | | | 947,000 |
| 3.875 | NEW YORK STATE ELECTRIC & GAS | 2 88 | 125,000 |
| 3.875 | NEW YORK STATE ELECTRIC & GAS | 2 88 | 175,000 |
| 3.875 | NEW YORK STATE ELECTRIC & GAS | 2 88 | 140,000 |
| 4.625 | NEW YORK STATE ELECTRIC & GAS | 5 91 | 250,000 |
| 4.625 | NEW YORK STATE ELECTRIC & GAS | 5 91 | 200,000 |
| 3.375 | NEW YORK STATE ELECTRIC & GAS | 9 85 | 225,000 |
| 5.625 | NEW YORK STATE ELECTRIC & GAS | 1 97 | 750,000 |
| | | | 1,865,000 |
| 3.125 | NIAGARA MOHAWK POWER | 8 84 | 95,000 |
| 4.625 | NIAGARA MOHAWK POWER | 12 94 | 1,000,000 |
| 3.375 | NIAGARA MOHAWK POWER | 12 81 | 500,000 |
| 3.500 | NIAGARA MOHAWK POWER | 2 83 | 500,000 |
| 4.875 | NIAGARA MOHAWK POWER | 9 87 | 500,000 |
| 3.875 | NIAGARA MOHAWK POWER | 6 88 | 200,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|---------------------------------------|---------------|---------------------------|
| 3.875 | NIAGARA MOHAWK POWER | 6 88 | 100,000 |
| 3.875 | NIAGARA MOHAWK POWER | 6 88 | 100,000 |
| 3.875 | NIAGARA MOHAWK POWER | 6 88 | 144,000 |
| 3.875 | NIAGARA MOHAWK POWER | 6 88 | 275,000 |
| 4.500 | NIAGARA MOHAWK POWER | 11 91 | 500,000 |
| 4.500 | NIAGARA MOHAWK POWER | 11 91 | 100,000 |
| 4.500 | NIAGARA MOHAWK POWER | 11 91 | 400,000 |
| | | | 4,414,000 |
| 6.500 | NIAGARA MOHAWK POWER | 8 98 | 400,000 |
| | | | 400,000 |
| 4.500 | NORTHERN INDIANA PUBLIC SERVICE SER J | 1 89 | 200,000 |
| 4.875 | NORTHERN INDIANA PUBLIC SERVICE SER K | 2 90 | 325,000 |
| 4.875 | NORTHERN INDIANA PUBLIC SERVICE SER K | 2 90 | 50,000 |
| 4.875 | NORTHERN INDIANA PUBLIC SERVICE SER K | 2 90 | 110,000 |
| 4.375 | NORTHERN INDIANA PUBLIC SERVICE SER L | 3 92 | 1,400,000 |
| 4.500 | NORTHERN INDIANA PUBLIC SERVICE SER M | 4 93 | 1,500,000 |
| | | | 3,285,000 |
| 2.750 | NORTHERN STATES POWER MINN | 10 75 | 200,000 |
| 2.750 | NORTHERN STATES POWER MINN | 10 75 | 150,000 |
| 2.750 | NORTHERN STATES POWER MINN | 10 75 | 100,000 |
| 3.000 | NORTHERN STATES POWER MINN | 7 78 | 200,000 |
| 2.750 | NORTHERN STATES POWER MINN | 8 79 | 100,000 |
| 2.750 | NORTHERN STATES POWER MINN | 8 79 | 102,000 |
| 3.250 | NORTHERN STATES POWER MINN | 6 82 | 250,000 |
| 6.750 | NORTHERN STATES POWER MINN | 5 98 | 500,000 |
| | | | 1,602,000 |
| 3.000 | PACIFIC GAS & ELECTRIC SER J | 12 70 | 200,000 |
| 3.000 | PACIFIC GAS & ELECTRIC SER J | 12 70 | 58,000 |
| 2.875 | PACIFIC GAS & ELECTRIC SER Q | 12 80 | 100,000 |
| 3.000 | PACIFIC GAS & ELECTRIC SER S | 6 83 | 500,000 |
| 3.125 | PACIFIC GAS & ELECTRIC SER X | 6 84 | 340,000 |
| 3.375 | PACIFIC GAS & ELECTRIC SER U | 12 85 | 75,000 |
| 5.000 | PACIFIC GAS & ELECTRIC SER DB | 6 89 | 227,000 |
| 4.500 | PACIFIC GAS & ELECTRIC SER DD | 6 90 | 1,000,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 100,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 25,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 50,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 50,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 200,000 |
| 4.625 | PACIFIC GAS & ELECTRIC SER FF | 6 92 | 100,000 |
| 4.375 | PACIFIC GAS & ELECTRIC SER HH | 6 94 | 1,000,000 |
| 4.375 | PACIFIC GAS & ELECTRIC SER HH | 6 94 | 950,000 |
| 5.750 | PACIFIC GAS & ELECTRIC SER NN | 12 98 | 1,000,000 |
| 5.750 | PACIFIC GAS & ELECTRIC SERIES NN | 12 98 | 300,000 |
| | | | 6,275,000 |
| 2.875 | PHILADELPHIA ELECTRIC | 2 78 | 250,000 |
| 3.250 | PHILADELPHIA ELECTRIC | 1 82 | 120,000 |
| 3.250 | PHILADELPHIA ELECTRIC | 1 82 | 45,000 |
| 3.250 | PHILADELPHIA ELECTRIC | 1 82 | 10,000 |



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|-------|-----------------------|-------|---------|
| 3.125 | PHILADELPHIA ELECTRIC | 4 85 | 161,000 |
| 3.125 | PHILADELPHIA ELECTRIC | 4 85 | 342,000 |
| 4.375 | PHILADELPHIA ELECTRIC | 12 86 | 800,000 |
| 3.750 | PHILADELPHIA ELECTRIC | 5 88 | 500,000 |
| 3.750 | PHILADELPHIA ELECTRIC | 5 88 | 25,000 |
| 3.750 | PHILADELPHIA ELECTRIC | 5 88 | 200,000 |
| 3.750 | PHILADELPHIA ELECTRIC | 5 88 | 100,000 |
| 5.000 | PHILADELPHIA ELECTRIC | 10 89 | 600,000 |
| 4.850 | PHILADELPHIA ELECTRIC | 10 86 | 920,000 |
| 4.500 | PHILADELPHIA ELECTRIC | 5 94 | 500,000 |

4,373,000

| | | | |
|-------|-------------------------|-------|-----------|
| 3.250 | PUBLIC SERVICE COLORADO | 10 81 | 500,000 |
| 3.125 | PUBLIC SERVICE COLORADO | 10 84 | 197,000 |
| 4.375 | PUBLIC SERVICE COLORADO | 5 87 | 190,000 |
| 4.375 | PUBLIC SERVICE COLORADO | 5 87 | 510,000 |
| 4.625 | PUBLIC SERVICE COLORADO | 5 89 | 50,000 |
| 4.500 | PUBLIC SERVICE COLORADO | 6 94 | 1,500,000 |

2,947,000

| | | | |
|-------|-------------------------------|-------|-----------|
| 2.750 | PUBLIC SERVICE ELECTRIC & GAS | 5 80 | 400,000 |
| 2.750 | PUBLIC SERVICE ELECTRIC & GAS | 5 80 | 100,000 |
| 4.375 | PUBLIC SERVICE ELECTRIC & GAS | 11 86 | 340,000 |
| 4.375 | PUBLIC SERVICE ELECTRIC & GAS | 11 86 | 15,000 |
| 4.875 | PUBLIC SERVICE ELECTRIC & GAS | 9 87 | 270,000 |
| 4.875 | PUBLIC SERVICE ELECTRIC & GAS | 9 87 | 30,000 |
| 7.000 | PUBLIC SERVICE ELECTRIC & GAS | 6 98 | 1,100,000 |

2,255,000

| | | | |
|-------|--------------------------------|-------|-----------|
| 4.500 | ROCHESTER GAS & ELECTRIC SER T | 11 91 | 1,000,000 |
|-------|--------------------------------|-------|-----------|

1,000,000

| | | | |
|-------|--------------------------------|-------|---------|
| 3.000 | SAN DIEGO GAS & ELECTRIC SER C | 3 78 | 50,000 |
| 3.250 | SAN DIEGO GAS & ELECTRIC SER D | 4 82 | 500,000 |
| 3.250 | SAN DIEGO GAS & ELECTRIC SER F | 10 85 | 232,000 |
| 4.875 | SAN DIEGO GAS & ELECTRIC SER G | 10 87 | 500,000 |
| 4.625 | SAN DIEGO GAS & ELECTRIC SER H | 10 90 | 300,000 |

1,582,000

| | | | |
|-------|---------------------------------|------|---------|
| 3.125 | SOUTHERN INDIANA GAS & ELECTRIC | 4 84 | 500,000 |
| 4.375 | SOUTHERN INDIANA GAS & ELECTRIC | 3 87 | 250,000 |
| 4.750 | SOUTHERN INDIANA GAS & ELECTRIC | 4 95 | 500,000 |
| 6.000 | SOUTHERN INDIANA GAS & ELECTRIC | 9 96 | 540,000 |
| 6.375 | SOUTHERN INDIANA GAS & ELECTRIC | 8 98 | 600,000 |

2,390,000

| | | | |
|-------|--------------------------|------|---------|
| 4.500 | WISCONSIN PUBLIC SERVICE | 6 94 | 500,000 |
|-------|--------------------------|------|---------|

500,000

TELEPHONE COMPANY BONDS

| | | | |
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| 2.750 | AMERICAN TELEPHONE & TELEGRAPH | 8 80 | 100,000 |
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|-------|--------------------------------|----|----|-----------|
| 2.750 | AMERICAN TELEPHONE & TELEGRAPH | 8 | 80 | 100,000 |
| 2.750 | AMERICAN TELEPHONE & TELEGRAPH | 8 | 80 | 100,000 |
| 2.750 | AMERICAN TELEPHONE & TELEGRAPH | 4 | 82 | 200,000 |
| 2.750 | AMERICAN TELEPHONE & TELEGRAPH | 4 | 82 | 100,000 |
| 3.250 | AMERICAN TELEPHONE & TELEGRAPH | 9 | 84 | 200,000 |
| 3.250 | AMERICAN TELEPHONE & TELEGRAPH | 9 | 84 | 100,000 |
| 3.250 | AMERICAN TELEPHONE & TELEGRAPH | 9 | 84 | 100,000 |
| 3.875 | AMERICAN TELEPHONE & TELEGRAPH | 7 | 90 | 500,000 |
| 3.875 | AMERICAN TELEPHONE & TELEGRAPH | 7 | 90 | 500,000 |
| 4.750 | AMERICAN TELEPHONE & TELEGRAPH | 11 | 92 | 575,000 |
| 4.750 | AMERICAN TELEPHONE & TELEGRAPH | 6 | 98 | 1,000,000 |
| 4.750 | AMERICAN TELEPHONE & TELEGRAPH | 6 | 98 | 1,000,000 |
| 5.125 | AMERICAN TELEPHONE & TELEGRAPH | 4 | 01 | 650,000 |
| 5.500 | AMERICAN TELEPHONE & TELEGRAPH | 1 | 97 | 800,000 |
| | | | | 6,025,000 |

| | | | | |
|-------|------------------------------|----|----|-----------|
| 4.850 | BELL TELEPHONE CANADA SER AA | 9 | 95 | 1,000,000 |
| 6.600 | BELL TELEPHONE CANADA SER AJ | 12 | 96 | 3,000,000 |
| | | | | 4,000,000 |

| | | | | |
|-------|-----------------------------------|---|----|-----------|
| 2.750 | BELL TELEPHONE PENNSYLVANIA SER E | 2 | 73 | 400,000 |
| 2.750 | BELL TELEPHONE PENNSYLVANIA SER E | 2 | 73 | 300,000 |
| 2.750 | BELL TELEPHONE PENNSYLVANIA SER E | 2 | 73 | 100,000 |
| 3.000 | BELL TELEPHONE PENNSYLVANIA | 4 | 74 | 200,000 |
| 3.750 | BELL TELEPHONE PENNSYLVANIA | 2 | 89 | 50,000 |
| 3.750 | BELL TELEPHONE PENNSYLVANIA | 2 | 89 | 100,000 |
| 3.750 | BELL TELEPHONE PENNSYLVANIA | 2 | 89 | 120,000 |
| 3.250 | BELL TELEPHONE PENNSYLVANIA | 3 | 96 | 500,000 |
| 4.375 | BELL TELEPHONE PENNSYLVANIA | 2 | 03 | 400,000 |
| 4.375 | BELL TELEPHONE PENNSYLVANIA | 2 | 03 | 100,000 |
| | | | | 2,270,000 |

| | | | | |
|-------|------------------------------|----|----|---------|
| 6.375 | CENTRAL TELEPHONE ILLINOIS Q | 10 | 92 | 990,000 |
| | | | | 990,000 |

| | | | | |
|-------|-----------------------------|---|----|---------|
| 6.100 | GENERAL TELEPHONE WISCONSIN | 6 | 97 | 500,000 |
| | | | | 500,000 |

| | | | | |
|-------|-----------------------------------|---|----|---------|
| 3.250 | CHESAPEAKE & POTOMAC TEL MARYLAND | 2 | 95 | 250,000 |
| | | | | 250,000 |

| | | | | |
|-------|-----------------------------------|---|----|-----------|
| 4.375 | CHESAPEAKE & POTOMAC TEL WASH D C | 2 | 98 | 750,000 |
| 5.625 | CHESAPEAKE & POTOMAC TEL WASH DC | 7 | 06 | 1,500,000 |
| | | | | 2,250,000 |

| | | | | |
|-------|-----------------------------|---|----|-----------|
| 5.250 | CHESAPEAKE & POTOMAC TEL #1 | 5 | 05 | 1,260,000 |
| | | | | 1,260,000 |

| | | | | |
|-------|-------------------------------|---|----|-----------|
| 5.000 | CHESAPEAKE & POTOMAC TEL W VA | 3 | 00 | 1,000,000 |
| | | | | 1,000,000 |

| | | | | |
|-------|-------------------------|---|----|---------|
| 4.625 | DIAMOND STATE TELEPHONE | 9 | 05 | 250,000 |
| | | | | 250,000 |



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|-------|------------------------------------|----|----|-----------|
| 2.875 | ASSOCIATED TEL CO LTD SER F | 11 | 79 | 200,000 |
| 3.375 | GENERAL TELEPHONE CALIFORNIA SER I | 2 | 85 | 200,000 |
| 5.000 | GENERAL TELEPHONE CALIFORNIA SER M | 12 | 89 | 690,000 |
| 4.625 | GENERAL TELEPHONE CALIFORNIA SER N | 12 | 91 | 1,000,000 |
| 4.375 | GENERAL TELEPHONE CALIFORNIA SER O | 5 | 93 | 900,000 |
| 4.500 | GENERAL TELEPHONE CALIFORNIA SER O | 3 | 95 | 200,000 |
| | | | | 3,390,000 |
| 6.500 | GENERAL TELEPHON FLORIDA L | 11 | 97 | 2,200,000 |
| 6.375 | GENERAL TELEPHONE INDIANA | 8 | 98 | 500,000 |
| 6.375 | GENERAL TELEPHONE INDIANA | 8 | 98 | 15,000 |
| | | | | 2,715,000 |
| 6.250 | GENERAL TELEPHONE KENTUCKY | 11 | 97 | 1,200,000 |
| | | | | 1,200,000 |
| 6.250 | GENERAL TELEPHON OF NORTHWEST | 9 | 98 | 1,400,000 |
| | | | | 1,400,000 |
| 3.000 | ILLINOIS BELL TELEPHONE SER B | 6 | 78 | 500,000 |
| 3.000 | ILLINOIS BELL TELEPHONE SER B | 6 | 78 | 250,000 |
| 3.000 | ILLINOIS BELL TELEPHONE SER B | 6 | 78 | 25,000 |
| 3.125 | ILLINOIS BELL TELEPHONE SER C | 4 | 84 | 250,000 |
| 2.750 | ILLINOIS BELL TELEPHONE SER A | 1 | 81 | 102,000 |
| | | | | 1,127,000 |
| 4.375 | INDIANA BELL TELEPHONE | 6 | 03 | 800,000 |
| 4.750 | INDIANA BELL TELEPHONE | 10 | 05 | 1,000,000 |
| | | | | 1,800,000 |
| 3.125 | MICHIGAN BELL TELEPHONE | 10 | 88 | 200,000 |
| 4.375 | MICHIGAN BELL TELEPHONE | 12 | 91 | 500,000 |
| 4.750 | MICHIGAN BELL TELEPHONE | 11 | 92 | 500,000 |
| 4.875 | MICHIGAN BELL TELEPHONE | 8 | 94 | 300,000 |
| 4.625 | MICHIGAN BELL TELEPHONE | 8 | 96 | 300,000 |
| | | | | 1,800,000 |
| 3.125 | MOUNTAIN STATES TEL & TEL | 4 | 78 | 100,000 |
| 3.125 | MOUNTAIN STATES TEL & TEL | 4 | 78 | 200,000 |
| 2.625 | MOUNTAIN STATES TEL & TEL | 5 | 86 | 130,000 |
| 2.625 | MOUNTAIN STATES TEL & TEL | 5 | 86 | 25,000 |
| 3.000 | MOUNTAIN STATES TEL & TEL | 8 | 89 | 500,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 100,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 50,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 250,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 100,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 109,000 |
| 3.500 | MOUNTAIN STATES TEL & TEL | 6 | 90 | 136,000 |
| 5.000 | MOUNTAIN STATES TEL & TEL | 4 | 00 | 515,000 |
| 5.000 | MOUNTAIN STATES TEL & TEL | 4 | 00 | 200,000 |
| 4.500 | MOUNTAIN STATES TEL & TEL | 6 | 02 | 650,000 |
| 5.500 | THE MOUNTAIN STATES TEL & TEL | 6 | 05 | 1,325,000 |
| | | | | 4,390,000 |

| | | | | |
|-------|-----------------------|---|----|--------|
| 3.000 | NEW ENGLAND TEL & TEL | 3 | 74 | 50,000 |
|-------|-----------------------|---|----|--------|



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|-----------------------------|---------------|---------------------------|
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 150,000 |
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 50,000 |
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 50,000 |
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 50,000 |
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 140,000 |
| 3.000 | NEW ENGLAND TEL & TEL | 3 74 | 260,000 |
| 3.250 | NEW ENGLAND TEL & TEL | 12 77 | 250,000 |
| 3.250 | NEW ENGLAND TEL & TEL | 11 91 | 500,000 |
| 4.500 | NEW ENGLAND TEL & TEL | 7 02 | 250,000 |
| 4.500 | NEW ENGLAND TEL & TEL | 7 02 | 100,000 |
| 4.625 | NEW ENGLAND TEL & TEL | 4 99 | 100,000 |
| 6.125 | NEW ENGLAND TEL & TEL | 10 06 | 3,000,000 |
| 6.375 | NEW ENGLAND TEL & TEL | 9 08 | 1,250,000 |
| | | | 6,200,000 |
| 3.250 | NEW JERSEY BELL TELEPHONE | 5 84 | 200,000 |
| 3.125 | NEW JERSEY BELL TELEPHONE | 7 88 | 200,000 |
| 3.000 | NEW JERSEY BELL TELEPHONE | 5 89 | 250,000 |
| 3.000 | NEW JERSEY BELL TELEPHONE | 5 89 | 67,000 |
| 3.375 | NEW JERSEY BELL TELEPHONE | 12 95 | 700,000 |
| 5.875 | NEW JERSEY BELL TELEPHONE | 12 06 | 800,000 |
| | | | 2,217,000 |
| 3.000 | NEW YORK TELEPHONE SER F | 7 81 | 100,000 |
| 2.750 | NEW YORK TELEPHONE SER D | 7 82 | 200,000 |
| 2.750 | NEW YORK TELEPHONE SER D | 7 82 | 100,000 |
| 3.000 | NEW YORK TELEPHONE SER H | 10 89 | 260,000 |
| 4.125 | NEW YORK TELEPHONE SER K | 7 93 | 75,000 |
| 4.125 | NEW YORK TELEPHONE SER K | 7 93 | 425,000 |
| 4.125 | NEW YORK TELEPHONE SER K | 7 93 | 450,000 |
| 3.375 | NEW YORK TELEPHONE SER I | 4 96 | 500,000 |
| 4.625 | NEW YORK TELEPHONE SER L | 10 97 | 100,000 |
| 4.625 | NEW YORK TELEPHONE SER M | 1 02 | 200,000 |
| 4.625 | NEW YORK TELEPHONE SER M | 1 02 | 50,000 |
| 4.625 | NEW YORK TELEPHONE SER M | 1 02 | 400,000 |
| 4.250 | NEW YORK TELEPHONE SER N | 1 00 | 1,000,000 |
| 3.125 | NEW YORK TELEPHONE SER E | 2 78 | 105,000 |
| | | | 3,965,000 |
| 4.625 | NEW YORK TELEPHONE SER O | 1 04 | 200,000 |
| 4.875 | NEW YORK TELEPHONE SER P | 1 06 | 800,000 |
| | | | 1,000,000 |
| 6.250 | NORTHERN OHIO TELEPHONE | 9 97 | 1,000,000 |
| | | | 1,000,000 |
| 2.750 | NORTHWESTERN BELL TELEPHONE | 6 84 | 500,000 |
| 2.750 | NORTHWESTERN BELL TELEPHONE | 6 84 | 203,000 |
| 3.250 | NORTHWESTERN BELL TELEPHONE | 2 96 | 800,000 |
| 4.875 | NORTHWESTERN BELL TELEPHONE | 6 98 | 700,000 |
| 4.875 | NORTHWESTERN BELL TELEPHONE | 6 98 | 500,000 |
| | | | 2,703,000 |



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RATE

NAME

MAYOR PRINCIPAL
DATE
MO YR AMOUNT

| | | | | |
|-------|----------------------------------|----|----|-----------|
| 4.500 | PACIFIC NORTHWEST BELL TELEPHONE | 11 | 94 | 480,000 |
| 4.375 | PACIFIC NORTHWEST BELL TELEPHONE | 9 | 02 | 500,000 |
| 4.500 | PACIFIC NORTHWEST BELL TELEPHONE | 4 | 03 | 1,000,000 |
| 4.500 | PACIFIC NORTHWEST BELL TELEPHONE | 4 | 03 | 600,000 |
| | | | | 3,000,000 |

| | | | | |
|-------|---------------------------------|----|----|-----------|
| 3.250 | PACIFIC TELEPHONE & TELEGRAPH | 11 | 79 | 36,000 |
| 3.250 | PACIFIC TELEPHONE & TELEGRAPH | 11 | 79 | 464,000 |
| 3.125 | PACIFIC TELEPHONE & TELEGRAPH | 9 | 83 | 200,000 |
| 3.125 | PACIFIC TELEPHONE & TELEGRAPH | 9 | 83 | 117,000 |
| 2.750 | PACIFIC TELEPHONE & TELEGRAPH | 12 | 85 | 150,000 |
| 2.750 | PACIFIC TELEPHONE & TELEGRAPH | 12 | 85 | 70,000 |
| 3.125 | PACIFIC TELEPHONE & TELEGRAPH | 10 | 87 | 25,000 |
| 3.625 | PACIFIC TELEPHONE & TELEGRAPH | 8 | 91 | 500,000 |
| 5.125 | PACIFIC TELEPHONE & TELEGRAPH | 2 | 93 | 400,000 |
| 5.125 | PACIFIC TELEPHONE & TELEGRAPH | 2 | 93 | 100,000 |
| 5.125 | PACIFIC TELEPHONE & TELEGRAPH | 2 | 93 | 300,000 |
| 4.625 | PACIFIC TELEPHONE & TELEGRAPH | 4 | 99 | 1,150,000 |
| 4.625 | PACIFIC TELEPHONE & TELEGRAPH | 4 | 99 | 400,000 |
| 4.625 | PACIFIC TELEPHONE & TELEGRAPH | 4 | 99 | 400,000 |
| 6.000 | PACIFIC TELEPHONE AND TELEGRAPH | 11 | 02 | 1,150,000 |
| | | | | 5,462,000 |

| | | | | |
|-------|-------------------------|----|----|-----------|
| 3.250 | SOUTHERN BELL TEL & TEL | 10 | 95 | 530,000 |
| 5.000 | SOUTHERN BELL TEL & TEL | 12 | 97 | 300,000 |
| 4.375 | SOUTHERN BELL TEL & TEL | 3 | 98 | 1,050,000 |
| 4.375 | SOUTHERN BELL TEL & TEL | 3 | 98 | 450,000 |
| 4.000 | SOUTHERN BELL TEL & TEL | 10 | 83 | 110,000 |
| 4.750 | SOUTHERN BELL TEL & TEL | 9 | 00 | 500,000 |
| 2.750 | SOUTHERN BELL TEL & TEL | 9 | 72 | 200,000 |
| 2.750 | SOUTHERN BELL TEL & TEL | 9 | 72 | 275,000 |
| 3.000 | SOUTHERN BELL TEL & TEL | 7 | 79 | 40,000 |
| 3.000 | SOUTHERN BELL TEL & TEL | 7 | 79 | 102,000 |
| 2.875 | SOUTHERN BELL TEL & TEL | 7 | 87 | 75,000 |
| 3.125 | SOUTHERN BELL TEL & TEL | 9 | 89 | 500,000 |
| 4.625 | SOUTHERN BELL TEL & TEL | 12 | 93 | 400,000 |
| | | | | 4,532,000 |

| | | | | |
|-------|--------------------------------|----|----|-----------|
| 3.250 | SOUTHERN NEW ENGLAND TELEPHONE | 7 | 85 | 160,000 |
| 4.125 | SOUTHERN NEW ENGLAND TELEPHONE | 3 | 91 | 125,000 |
| 4.125 | SOUTHERN NEW ENGLAND TELEPHONE | 3 | 91 | 241,000 |
| 4.375 | SOUTHERN NEW ENGLAND TELEPHONE | 12 | 01 | 1,100,000 |
| | | | | 1,626,000 |

| | | | | |
|-------|-----------------------------|----|----|-----------|
| 3.125 | SOUTHWESTERN BELL TELEPHONE | 5 | 83 | 300,000 |
| 2.750 | SOUTHWESTERN BELL TELEPHONE | 10 | 85 | 150,000 |
| 2.750 | SOUTHWESTERN BELL TELEPHONE | 10 | 85 | 100,000 |
| 2.750 | SOUTHWESTERN BELL TELEPHONE | 10 | 85 | 100,000 |
| 2.750 | SOUTHWESTERN BELL TELEPHONE | 10 | 85 | 59,000 |
| 2.750 | SOUTHWESTERN BELL TELEPHONE | 10 | 85 | 66,000 |
| 4.750 | SOUTHWESTERN BELL TELEPHONE | 9 | 92 | 1,000,000 |
| 4.625 | SOUTHWESTERN BELL TELEPHONE | 9 | 95 | 900,000 |
| 4.500 | SOUTHWESTERN BELL TELEPHONE | 9 | 97 | 400,000 |



| COUNP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
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| | | | |
|-------|-----------------------------|------|-----------|
| 5.375 | SOUTHWESTERN BELL TELEPHONE | 6 06 | 800,000 |
| 5.375 | SOUTHWESTERN BELL TELEPHONE | 6 06 | 200,000 |
| | | | 5,575,000 |
| 4.500 | WISCONSIN TELEPHONE | 7 92 | 450,000 |
| 4.500 | WISCONSIN TELEPHONE | 7 92 | 50,000 |
| 4.500 | WISCONSIN TELEPHONE | 7 92 | 500,000 |
| 4.875 | WISCONSIN TELEPHONE | 5 95 | 600,000 |
| 4.875 | WISCONSIN TELEPHONE | 5 95 | 450,000 |
| 4.375 | WISCONSIN TELEPHONE | 5 02 | 510,000 |
| 6.250 | WISCONSIN TELEPHONE | 8 04 | 1,275,000 |
| | | | 3,835,000 |

GAS PIPELINE COMPANY BONDS

| | | | |
|-------|-----------------------------|-------|-----------|
| 6.750 | CHICAP PIPE LINE | 12 98 | 1,000,000 |
| | | | 1,000,000 |
| 4.500 | NORTHERN NATURAL GAS | 11 84 | 1,000,000 |
| | | | 1,000,000 |
| 4.750 | PANHANDLE EASTERN PIPE LINE | 5 85 | 375,000 |
| | | | 375,000 |
| 6.250 | PEOPLES GAS LIGHT & COKE CO | 8 92 | 2,000,000 |
| | | | 2,000,000 |
| 5.000 | UNITED GAS CORP | 11 80 | 270,000 |
| 5.000 | UNITED GAS CORP | 11 80 | 87,000 |
| 5.000 | UNITED GAS CORP | 11 80 | 378,000 |
| 5.000 | UNITED GAS CORP | 11 80 | 159,000 |
| 4.625 | UNITED GAS CORP | 6 82 | 559,000 |
| | | | 1,453,000 |

WATER COMPANY BONDS

| | | | |
|-------|--------------------------|-------|-----------|
| 6.750 | CALIFORNIA WATER SERVICE | 11 97 | 995,000 |
| | | | 995,000 |
| 5.875 | INDIANAPOLIS WATER | 8 97 | 1,000,000 |
| | | | 1,000,000 |
| 4.650 | ST LOUIS COUNTY WATER | 12 94 | 1,000,000 |
| | | | 1,000,000 |

RAILROAD COMPANY BONDS

RAILROAD BONDS



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|----------------------------------|---------------|---------------------------|
| 4.625 | BELT RAILWAY CO OF CHICAGO SER A | 8 87 | 750,000 |
| 4.625 | BELT RAILWAY CO OF CHICAGO SLR A | 8 87 | 250,000 |
| | | | 980,000 |
| 4.625 | ILLINOIS TERMINAL RAILROAD | 12 87 | 306,000 |
| | | | 306,000 |
| 4.500 | SOUTHERN PACIFIC OREGON LINES | 3 77 | 245,000 |
| 4.500 | SOUTHERN PACIFIC OREGON LINES | 3 77 | 65,000 |
| 4.500 | SOUTHERN PACIFIC OREGON LINES | 3 77 | 20,000 |
| 2.750 | SOUTHERN PACIFIC RR SER F | 1 96 | 120,000 |
| | | | 450,000 |

TERMINAL BONDS

| | | | |
|-------|-------------------------------------|-------|---------|
| 2.750 | CINCINNATI UNION TERMINAL SER G | 8 74 | 148,000 |
| 2.750 | CINCINNATI UNION TERMINAL SER G | 8 74 | 28,000 |
| 2.750 | CINCINNATI UNION TERMINAL SER G | 8 74 | 92,000 |
| 2.750 | CINCINNATI UNION TERMINAL SER G | 8 74 | 500,000 |
| | | | 768,000 |
| 2.750 | KANSAS CITY TERMINAL RY | 10 74 | 60,000 |
| 2.750 | KANSAS CITY TERMINAL RY | 10 74 | 300,000 |
| 2.750 | KANSAS CITY TERMINAL RY | 10 74 | 300,000 |
| 2.750 | KANSAS CITY TERMINAL RY | 10 74 | 32,000 |
| | | | 692,000 |
| 2.875 | TERMINAL RR ASSOC OF ST LOUIS SER D | 10 85 | 500,000 |
| | | | 500,000 |
| 3.000 | UNION TERMINAL CO DALLAS TEXAS | 6 78 | 74,000 |
| 3.000 | UNION TERMINAL CO DALLAS TEXAS | 6 78 | 100,000 |
| 3.000 | UNION TERMINAL CO DALLAS TEXAS | 6 78 | 102,000 |
| 3.000 | UNION TERMINAL CO DALLAS TEXAS | 6 78 | 193,000 |
| | | | 469,000 |

EQUIP TRUST CTFS & COND SALES AGREEMEN

| | | | |
|-------|--------------------------------------|------|-----------|
| 3.000 | CHESAPEAKE & OHIO RY 1955 TRUST | 8 70 | 100,000 |
| | | | 100,000 |
| 5.500 | CHESAPEAKE & OHIO RY 1966 TRUST | 8 78 | 325,000 |
| 5.500 | CHESAPEAKE & OHIO RY 1966 TRUST | 8 79 | 325,000 |
| 5.500 | CHESAPEAKE & OHIO RY 1966 TRUST | 8 80 | 325,000 |
| 5.500 | CHESAPEAKE & OHIO RY 1966 TRUST | 8 81 | 325,000 |
| 5.125 | CHESAPEAKE & OHIO RY 2ND 1967 TRUST | 4 79 | 337,000 |
| | | | 1,637,000 |
| 5.625 | CHICAGO & NORTHERN QUINCY #1 1967 TR | 1 78 | 265,000 |
| 5.625 | CHICAGO & NORTHERN QUINCY #1 1967 TR | 1 78 | 165,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|--|---------------|---------------------------|
| 5.625 | CHICAGO BURLINGTON QUINCY #1 1967 TR | 1 79 | 265,000 |
| 5.625 | CHICAGO BURLINGTON QUINCY #1 1967 TR | 1 79 | 60,000 |
| | | | 755,000 |
| 4.250 | CLINCHFIELD RR SER D | 2 78 | 250,000 |
| 4.250 | CLINCHFIELD RR SER D | 2 79 | 250,000 |
| 5.500 | CLINCHFIELD RR SER F | 8 78 | 553,000 |
| 5.500 | CLINCHFIELD RR SER F | 8 79 | 553,000 |
| | | | 1,606,000 |
| 3.750 | DENVER & RIO GRANDE WESTERN RR SER V | 5 70 | 30,000 |
| 3.750 | DENVER & RIO GRANDE WESTERN RR SER V | 11 70 | 30,000 |
| 3.750 | DENVER & RIO GRANDE WESTERN RR SER V | 5 71 | 30,000 |
| 3.750 | DENVER & RIO GRANDE WESTERN RR SER V | 5 72 | 30,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER AA | 10 75 | 161,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER AA | 4 76 | 131,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER AA | 10 76 | 161,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER AA | 4 77 | 111,000 |
| 4.250 | DENVER & RIO GRANDE WESTERN RR SER CC | 4 78 | 181,000 |
| 4.250 | DENVER & RIO GRANDE WESTERN RR SER CC | 10 78 | 181,000 |
| 4.250 | DENVER & RIO GRANDE WESTERN RR SER CC | 4 79 | 181,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER DD | 1 78 | 100,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER DD | 7 78 | 50,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER DD | 1 79 | 100,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER DD | 7 79 | 50,000 |
| 4.125 | DENVER & RIO GRANDE WESTERN RR SER DD | 1 80 | 100,000 |
| 5.000 | DENVER & RIO GRANDE WESTERN R R SER FF | 5 80 | 135,000 |
| 5.000 | DENVER & RIO GRANDE WESTERN R R SER FF | 11 80 | 135,000 |
| 5.000 | DENVER & RIO GRANDE WESTERN R R SER FF | 5 81 | 135,000 |
| | | | 2,032,000 |
| 3.500 | GREAT NORTHERN RY 1958 TRUST | 8 72 | 140,000 |
| 3.500 | GREAT NORTHERN RY 1958 TRUST | 2 73 | 30,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 69 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 3 70 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 70 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 70 | 25,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 3 71 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 3 71 | 25,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 71 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 71 | 25,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 3 72 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 72 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 3 73 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1958 TRUST | 9 73 | 10,000 |
| 4.000 | GREAT NORTHERN RY 2ND 1963 TRUST | 6 78 | 435,000 |
| | | | 770,000 |
| 4.125 | GREAT NORTHERN RY 1964 TRUST | 3 78 | 150,000 |
| 4.125 | GREAT NORTHERN RY 1964 TRUST | 3 79 | 150,000 |
| 4.125 | GREAT NORTHERN RY 1964 TRUST | 3 75 | 135,000 |
| 4.125 | GREAT NORTHERN RY 1964 TRUST | 3 77 | 151,000 |
| 5.250 | GREAT NORTHERN RY 2ND 1966 TRUST | 4 79 | 600,000 |



| COUP RATE | NAME | MAJOR PRINCIPAL DATE MO YR AMOUNT |
|--------------|--------------------------------------|---|
| 4.250 | GULF MOBILE & OHIO RR SER H | 1 72 100,000 |
| 4.250 | GULF MOBILE & OHIO RR SER H | 7 72 100,000 |
| | | 200,000 |
| 5.625 | ILLINOIS CENTRAL RR SER 56 | 3 79 180,000 |
| 5.625 | ILLINOIS CENTRAL RR SER 56 | 9 79 180,000 |
| | | 360,000 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 1 74 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 7 74 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 1 75 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 7 75 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 1 76 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 7 76 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 1 77 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 7 77 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 1 78 49,222 |
| 4.450 | KANSAS CITY SOUTHERN RY C S A | 7 78 49,222 |
| | | 492,220 |
| 3.000 | LOUISVILLE & NASHVILLE RR SER O | 3 71 100,000 |
| 3.875 | LOUISVILLE & NASHVILLE RR SER P | 11 71 210,000 |
| 3.625 | LOUISVILLE & NASHVILLE RR SER Q | 1 71 400,000 |
| 3.500 | LOUISVILLE & NASHVILLE RR SER R | 3 73 194,000 |
| 4.500 | LOUISVILLE & NASHVILLE RR SER U | 6 74 175,000 |
| 4.125 | LOUISVILLE & NASHVILLE RR SER Z | 1 74 300,000 |
| 4.125 | LOUISVILLE & NASHVILLE RR SER Z | 1 75 200,000 |
| | | 1,579,000 |
| 3.875 | LOUISVILLE & NASHVILLE RR SER FF | 6 77 359,000 |
| 3.875 | LOUISVILLE & NASHVILLE RR SER FF | 6 78 359,000 |
| 4.125 | LOUISVILLE & NASHVILLE RR SER II | 3 78 480,000 |
| 4.250 | LOUISVILLE & NASHVILLE RR SER JJ | 5 76 435,000 |
| 4.250 | LOUISVILLE & NASHVILLE RR SER JJ | 5 78 65,000 |
| 4.250 | LOUISVILLE & NASHVILLE RR SER NN | 3 79 200,000 |
| 4.250 | LOUISVILLE & NASHVILLE RR SER NN | 3 80 160,000 |
| | | 2,078,000 |
| 3.625 | N Y CHICAGO & ST LOUIS RR 1958 TRUST | 2 73 100,000 |
| 4.125 | N Y CHICAGO & ST LOUIS RR 1959 TRUST | 1 73 150,000 |
| 4.125 | N Y CHICAGO & ST LOUIS RR 1959 TRUST | 7 73 80,000 |
| | | 330,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 8 69 50,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 2 70 50,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 8 70 50,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 2 71 50,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 8 71 50,000 |
| 3.625 | NORFOLK & WESTERN RY SER A | 2 72 50,000 |
| 4.125 | NORFOLK & WESTERN RY SER B | 12 69 50,000 |
| 4.125 | NORFOLK & WESTERN RY SER B | 6 70 20,000 |
| 4.125 | NORFOLK & WESTERN RY SER B | 12 70 20,000 |
| 4.125 | NORFOLK & WESTERN RY SER B | 6 71 20,000 |
| 4.125 | NORFOLK & WESTERN RY SER B | 2 71 20,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|---------------------------------------|---------------|---------------------------|
| 4.125 | NORFOLK & WESTERN RY SER B | 6 72 | 20,000 |
| 4.250 | NORFOLK & WESTERN RY SER B | 6 72 | 140,000 |
| 3.875 | NORFOLK & WESTERN RY SER C | 11 70 | 38,000 |
| 4.125 | NORFOLK & WESTERN RY SER H | 8 77 | 335,000 |
| 4.000 | NORFOLK & WESTERN RY SER J | 5 77 | 294,000 |
| 4.000 | NORFOLK & WESTERN RY SER J | 5 78 | 294,000 |
| 5.000 | NORFOLK & WESTERN RY SER P | 4 80 | 240,000 |
| 5.000 | NORFOLK & WESTERN RY SER P | 4 81 | 135,000 |
| | | | 1,926,000 |
| 5.250 | NORTHERN PACIFIC RY 2ND 1966 SER | 6 75 | 200,000 |
| 5.250 | NORTHERN PACIFIC RY 2ND 1966 SER | 6 76 | 400,000 |
| | | | 600,000 |
| 3.625 | PITTSBURGH & LAKE ERIE 2ND 1957 TRUST | 4 72 | 150,000 |
| 4.250 | PITTSBURGH & LAKE ERIE 3RD 1957 TRUST | 8 71 | 100,000 |
| 4.250 | PITTSBURGH & LAKE ERIE 3RD 1957 TRUST | 8 72 | 100,000 |
| 3.500 | PITTSBURGH & LAKE ERIE 1958 TRUST | 2 71 | 65,000 |
| 3.500 | PITTSBURGH & LAKE ERIE 1958 TRUST | 2 73 | 175,000 |
| 4.000 | PITTSBURGH & LAKE ERIE 1960 TRUST | 10 75 | 194,000 |
| | | | 784,000 |
| 3.750 | SEABOARD AIR LINE RR SER Q | 10 71 | 100,000 |
| 4.250 | SEABOARD AIR LINE RR SER R | 8 72 | 34,000 |
| 4.500 | SEABOARD AIR LINE RR SER S | 6 74 | 298,000 |
| 4.250 | SEABOARD AIR LINE RR SER V | 2 76 | 100,000 |
| 4.250 | SEABOARD AIR LINE RR SER V | 2 77 | 300,000 |
| 4.000 | SEABOARD AIR LINE RR SER V | 2 76 | 200,000 |
| 4.000 | SEABOARD AIR LINE RR SER V | 2 77 | 300,000 |
| | | | 1,332,000 |
| 5.375 | SEABOARD AIR LINE RR SER Z | 3 79 | 600,000 |
| | | | 600,000 |
| 4.125 | SOUTHERN PACIFIC SER 3 | 2 73 | 125,000 |
| 4.125 | SOUTHERN PACIFIC SER 3 | 2 74 | 125,000 |
| 4.750 | SOUTHERN PACIFIC SER 6 | 8 73 | 175,000 |
| 4.750 | SOUTHERN PACIFIC SER 6 | 8 74 | 175,000 |
| 4.000 | SOUTHERN PACIFIC SER 12 | 3 76 | 283,000 |
| 4.250 | SOUTHERN PACIFIC SER 14 | 12 74 | 125,000 |
| 4.250 | SOUTHERN PACIFIC SER 14 | 12 75 | 125,000 |
| 4.250 | SOUTHERN PACIFIC SER 14 | 12 76 | 527,000 |
| | | | 1,660,000 |
| 4.000 | SOUTHERN PACIFIC SER 16 | 3 76 | 400,000 |
| 4.000 | SOUTHERN PACIFIC SER 16 | 3 77 | 400,000 |
| 3.875 | SOUTHERN PACIFIC SER 18 | 9 77 | 200,000 |
| 3.875 | SOUTHERN PACIFIC SER 19 | 1 78 | 560,000 |
| | | | 1,560,000 |
| 4.000 | SOUTHERN RAILWAY SER W | 10 76 | 148,000 |
| 4.000 | SOUTHERN RAILWAY SER W | 4 77 | 148,000 |
| 4.250 | SOUTHERN RAILWAY 1ST 1965 TRUST | 7 79 | 120,000 |
| 4.250 | SOUTHERN RAILWAY 1ST 1965 TRUST | 7 79 | 140,000 |



COUP
RATE

NAME

MAYOR PRINCIPAL
DATE
MO YR AMOUNT

4.250 SOUTHERN RAILWAY 1ST 1965 TRUST 1 80 140,000
696,000

5.500 WESTERN MARYLAND RY SER X 8 76 255,000
5.500 WESTERN MARYLAND RY SER X 8 77 255,000
5.500 WESTERN MARYLAND RY SER X 8 78 255,000
765,000

4.500 WESTERN PACIFIC RR CONTRACT 9879 8 69 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 11 69 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 2 70 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 5 70 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 8 70 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 11 70 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 2 71 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 5 71 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 8 71 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 11 71 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 2 72 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 5 72 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 8 72 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 11 72 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 2 73 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 5 73 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 8 73 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 11 73 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 2 74 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 5 74 27,525
4.500 WESTERN PACIFIC RR CONTRACT 9879 8 74 27,525
4.850 WESTERN PACIFIC RR CONTRACT 10057 5 71 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 8 71 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 11 71 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 2 72 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 5 72 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 8 72 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 11 72 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 2 73 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 5 73 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 8 73 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 11 73 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 2 74 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 5 74 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 8 74 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 11 74 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 2 75 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 5 75 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 8 75 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 11 75 61,500
4.850 WESTERN PACIFIC RR CONTRACT 10057 2 76 61,500
4.750 SACRAMENTO NORTHERN RY CONTRACT 3974 9 69 11,800
4.750 SACRAMENTO NORTHERN RY CONTRACT 3974 2 69 11,800
4.750 SACRAMENTO NORTHERN RY CONTRACT 3974 3 70 11,800



COUP
RATE

NAME

MATUR PRINCIPAL
DATE
MO YR AMOUNT

| | | | | | | | | |
|-------|------------|----------|----|----------|-------|----|----|--------|
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 70 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 71 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 71 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 71 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 71 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 72 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 72 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 72 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 72 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 73 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 73 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 73 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 73 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 74 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 74 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 74 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 74 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 75 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 75 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 75 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 75 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 76 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 6 | 76 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 9 | 76 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 12 | 76 | 11,800 |
| 4.750 | SACRAMENTO | NORTHERN | RY | CONTRACT | 3974 | 3 | 77 | 11,800 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 71 | 9,140 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 71 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 71 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 71 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 72 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 72 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 72 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 72 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 73 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 73 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 73 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 73 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 74 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 74 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 74 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 74 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 75 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 75 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 75 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 75 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 76 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 76 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 76 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 76 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 1 | 77 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 4 | 77 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 7 | 77 | 9,060 |
| 4.400 | WESTERN | PACIFIC | RR | CONTRACT | 10522 | 10 | 77 | 9,060 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|-----------------------------------|---------------|---------------------------|
| 4.400 | WESTERN PACIFIC RR CONTRACT 10522 | 1 78 | 9,060 |
| 4.400 | WESTERN PACIFIC RR CONTRACT 10522 | 4 78 | 9,060 |
| 4.400 | WESTERN PACIFIC RR CONTRACT 10522 | 7 78 | 9,060 |
| 4.400 | WESTERN PACIFIC RR CONTRACT 10522 | 10 78 | 9,060 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 71 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 72 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 73 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 74 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 75 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 76 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 77 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 78 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 79 | 100,000 |
| 4.550 | WESTERN PACIFIC RR C.S.A. | 3 80 | 100,000 |
| | | | 3,463,825 |

INDUSTRIAL COMPANY BONDS

| | | | |
|-------|---------------------|------|---------|
| 5.450 | SHERWIN WILLIAMS CO | 4 92 | 800,000 |
| | | | 800,000 |

CHEMICAL COMPANY BONDS

| | | | |
|-------|-----------------------|-------|-----------|
| 3.500 | ALLIED CHEMICAL & DYE | 4 78 | 700,000 |
| | | | 700,000 |
| 4.350 | DOW CHEMICAL | 9 88 | 650,000 |
| | | | 650,000 |
| 4.600 | GEISMAR INDUSTRIES | 12 82 | 780,000 |
| 4.625 | MONOCHEM INC | 12 84 | 8,000 |
| 4.625 | MONOCHEM INC | 12 84 | 320,000 |
| 4.625 | MONOCHEM INC | 12 84 | 200,000 |
| | | | 1,308,000 |
| 4.500 | STAUFFER CHEMICAL | 12 89 | 1,000,000 |
| | | | 1,000,000 |
| 4.500 | UNION CARBIDE | 12 96 | 874,521 |
| | | | 874,521 |

CONTAINER COMPANY BONDS

| | | | |
|-------|----------------------|------|---------|
| 3.750 | OWENS-ILLINOIS GLASS | 6 88 | 200,000 |
| | | | 200,000 |

ELECTRIC EQUIPMENT



| COUP RATE | NAME | DATE | PRINCIPAL MO YR AMOUNT |
|--------------|---------------------------------|------|---------------------------|
| 5.300 | GENERAL ELECTRIC | 5 92 | 850,000 |
| 5.300 | GENERAL ELECTRIC CO | 5 92 | 850,000 |
| | | | 1,700,000 |
| 4.250 | MINNEAPOLIS HONEYWELL REGULATOR | 8 88 | 500,000 |
| | | | 500,000 |
| 5.600 | HONEYWELL INC | 3 92 | 350,000 |
| | | | 350,000 |
| 5.500 | WESTERN ELECTRIC | 6 97 | 1,000,000 |
| | | | 1,000,000 |
| 5.375 | WESTINGHOUSE ELECTRIC | 4 92 | 500,000 |
| 5.375 | WESTINGHOUSE ELECTRIC | 4 92 | 35,000 |
| | | | 535,000 |

FOOD & MEAT PACKING COMPANY BONDS

| | | | |
|-------|-------------------------|-------|-----------|
| 4.375 | BORDEN | 12 91 | 1,000,000 |
| | | | 1,000,000 |
| 4.375 | NATIONAL DAIRY PRODUCTS | 3 92 | 500,000 |
| 4.375 | NATIONAL DAIRY PRODUCTS | 3 92 | 400,000 |
| | | | 900,000 |
| 5.750 | NORTH AMERICAN CAR | 5 87 | 900,000 |
| | | | 900,000 |

INDUSTRIAL COMPANY BONDS

| | | | |
|-------|----------------|------|-----------|
| 4.750 | INGERSOLL-RAND | 1 91 | 1,000,000 |
| | | | 1,000,000 |

METALS - NON-FERROUS

| | | | |
|-------|-----------------------------|------|-----------|
| 4.375 | ALUMINUM COMPANY OF AMERICA | 3 88 | 895,000 |
| 3.875 | ALUMINUM COMPANY OF AMERICA | 4 83 | 500,000 |
| | | | 1,395,000 |

PAPER & PAPERBOARD COMPANY BONDS

| | | | |
|-------|------------------|-------|---------|
| 4.375 | CROWN ZELLERBACH | 12 81 | 65,000 |
| 4.375 | CROWN ZELLERBACH | 12 81 | 390,000 |
| | | | 455,000 |

PETROLEUM COMPANY BONDS



| COUP RATE | NAME | MATUR DATE MO YR | PRINCIPAL AMOUNT |
|--------------|-------------------------|------------------------|------------------------|
| 5.625 | ATLANTIC RICHFIELD | 5 97 | 1,000,000 1,000,000 |
| 4.736 | COLONIAL PIPELINE SER C | 6 90 | 1,000,000 |
| 4.500 | CONTINENTAL OIL | 5 91 | 1,000,000 |
| 4.500 | CONTINENTAL OIL | 5 91 | 125,000 2,125,000 |
| 4.625 | SHELL OIL | 8 86 | 1,025,000 |
| 4.500 | SHELL OIL | 4 90 | 750,000 1,775,000 |
| 4.250 | SOCONY MOBIL OIL | 4 93 | 1,550,000 |
| 4.250 | SOCONY MOBIL OIL | 4 93 | 450,000 2,000,000 |
| 4.375 | STANDARD OIL CALIFORNIA | 7 83 | 750,000 |
| 4.375 | STANDARD OIL CALIFORNIA | 7 83 | 250,000 |
| 4.375 | STANDARD OIL CALIFORNIA | 7 83 | 150,000 1,150,000 |
| 4.625 | SUN OIL | 11 90 | 500,000 |
| 4.625 | SUN OIL | 11 90 | 500,000 1,000,000 |
| 3.625 | TEXAS | 5 83 | 400,000 |
| 3.625 | TEXAS | 5 83 | 300,000 |
| 3.625 | TEXAS | 5 83 | 300,000 |
| 4.500 | TEXACO | 12 89 | 1,000,000 2,000,000 |

RAILROAD EQUIPMENT COMPANY BONDS

| | | | |
|-------|--|-------|------------------------|
| 4.300 | GENERAL AMERICAN TRANSPORTATION SER 60 | 1 83 | 1,110,000 |
| 4.625 | GENERAL AMERICAN TRANSPORTATION SER 61 | 7 84 | 564,000 |
| 4.600 | GENERAL AMERICAN TRANSPORTATION SER 62 | 11 85 | 1,000,000 2,674,000 |
| 4.500 | EMPORIUM CAPWELL | 5 70 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 71 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 72 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 73 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 74 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 75 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 76 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 77 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 78 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 79 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 80 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 81 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 82 | 30,000 |
| 4.500 | EMPORIUM CAPWELL | 5 83 | 30,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL MO YR AMOUNT |
|--------------|------------------|---------------|---------------------------|
| 4.625 | EMPORIUM CAPWELL | 5 70 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 71 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 72 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 73 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 74 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 75 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 76 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 77 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 78 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 79 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 80 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 81 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 82 | 35,000 |
| 4.625 | EMPORIUM CAPWELL | 5 83 | 35,000 |
| | | | 910,000 |
| 3.875 | PROCTER & GAMBLE | 9 81 | 200,000 |
| 3.875 | PROCTER & GAMBLE | 9 81 | 348,000 |
| 3.875 | PROCTER & GAMBLE | 9 81 | 300,000 |
| | | | 848,000 |

RUBBER & TIRE COMPANY BONDS

| | | | |
|-------|-------------------------|------|-----------|
| 4.250 | FIRESTONE TIRE & RUBBER | 7 88 | 1,250,000 |
| | | | 1,250,000 |

STEEL & IRON COMPANY BONDS

| | | | |
|-------|---------------------|------|-----------|
| 4.350 | ARMCO STEEL | 4 84 | 488,000 |
| 4.350 | ARMCO STEEL | 4 84 | 489,000 |
| 4.500 | ARMCO STEEL | 6 86 | 500,000 |
| | | | 1,477,000 |
| 4.625 | NATIONAL STEEL | 6 89 | 352,000 |
| 4.625 | NATIONAL STEEL | 6 89 | 31,000 |
| 4.625 | NATIONAL STEEL | 6 89 | 98,000 |
| | | | 481,000 |
| 4.000 | UNITED STATES STEEL | 7 83 | 1,000,000 |
| 4.500 | UNITED STATES STEEL | 4 86 | 1,000,000 |
| | | | 2,000,000 |

FINANCIAL

FINANCE COMPANIES

| | | | |
|-------|----------------|------|-----------|
| 7.000 | BANKAMERICA CO | 7 89 | 1,300,000 |
| | | | 1,000,000 |



| COUP RATE | NAME | MATUR DATE | PRINCIPAL NO YR AMOUNT |
|--------------|-------------------------|---------------|---------------------------|
| 4.500 | GENERAL ELECTRIC CREDIT | 3 84 | 1,000,000 1,000,000 |
| 4.500 | SHELL FUNDING SER A | 6 83 | 934,000 934,000 |

BANKS

| | | | |
|-------|---------------------------------|-------|------------------------|
| 4.500 | BANKERS TRUST | 12 88 | 960,000 960,000 |
| 4.600 | CHASE MANHATTAN BANK | 6 90 | 750,000 750,000 |
| 4.750 | FRANKLIN NATIONAL BANK 1963 SER | 9 88 | 1,000,000 1,000,000 |
| 4.600 | MERCANTILE TRUST | 12 83 | 1,000,000 1,000,000 |

INTERNATL BANK RECONSTRUCTION DEVEL

| | | | |
|-------|---------------------------------------|-------|------------------------|
| 4.500 | INTERNATL BANK RECONSTRUCTION DEVELOP | 2 82 | 1,000,000 |
| 4.500 | INTERNATL BANK RECONSTRUCTION DEVELOP | 2 90 | 1,100,000 2,100,000 |
| 5.375 | INTERNATL BANK RECONSTRUCTION DEVELOP | 7 91 | 200,000 |
| 6.375 | INTERNATL BANK RECONSTRUCTION DEVEL | 10 94 | 1,480,000 |
| 6.375 | INTERNATL BANK RECONSTRUCTION DEVEL | 10 94 | 10,000 |
| 6.375 | INTERNATL BANK RECONSTRUCTION DEVEL | 10 94 | 10,000 1,700,000 |

MISCELLANEOUS BONDS

| | | | |
|-------|-------------------|-------|--------------------|
| 4.500 | REPUBLIC NATIONAL | 10 89 | 940,777 940,777 |
|-------|-------------------|-------|--------------------|

TOTAL

407,090,343



ANNUAL REPORT

7/1/70--6/31/71

RETIREMENT SYSTEM BOARD

CITY AND COUNTY OF SAN FRANCISCO

EMPLOYEES' RETIREMENT SYSTEM

DOCUMENTS

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SAN FRANCISCO
CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM
ANNUAL REPORT 1970 - 1971

ADMINISTRATION

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922.

The System is administered by the Retirement Board consisting of seven members: President of the Board of Supervisors, three active members of the System elected by the membership, and three members appointed by the Mayor, who shall either hold a degree of Doctor of Medicine or shall be experienced in life insurance, actuarial science, employee pension planning, or investment portfolio management. Each member appointed by the Mayor shall be from among a list of names submitted by a committee consisting of two members each of the San Francisco Medical Society, Bar Association, Real Estate Board, and the Chamber of Commerce; no more than one doctor may serve on the Board at any one time.

Members of the Retirement Board as of June 30, 1971 were: John Simpson (President), Philip Kearney, and Warren DeHerritt, elected by the employee membership; James Lawry (Vice-President), Warren Johnson, and Dean Anderson, appointed by the Mayor; and Dianne Feinstein, President of the Board of Supervisors.

To aid in the administration of the System, the Retirement Board appoints an Actuary and a Secretary-General Manager. The Actuary holds his office at the pleasure of the Board. The latter is the Retirement System General Manager and is subject to the Civil Service provisions of the Charter. The General Manager has jurisdiction over approximately 56 permanent employees divided into six divisions namely: Administration, Investment, Accounting, Actuarial, Membership, and Workmen's Compensation.

During the fiscal year 1970 - 1971, 169 hearings of applicants or their representatives were held in 40 meetings of the Retirement Board. Applications granted and denied during the year were as follows:

| <u>Disability Industrially Incurred</u> <u>Police and Fire Only</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Retirements | 43 | 8 |
| Determination only | 36 | 7 |

Disability Industrially Incurred
Police and Fire Only (Cont)

Granted

Denied

| | | |
|---|----|---|
| Monthly death benefits | 10 | 2 |
| Payment of self-incurred medical bills | 14 | 5 |

The cost to the City for payment of self-incurred medical bills was \$17,859.85.

The cost to the City for payment of self-incurred medical bills for the year 1969-1970 was \$19,483.12.

Ordinary Disability Retirements

Granted

Denied

| | | |
|-----------------------|----|---|
| Police and Fire | 4 | 0 |
| Other | 39 | 1 |

In addition to the above, the Board must consider and pass on numerous staff activities, including the investment of Retirement System funds and the appropriation and transfer of funds for the administration of the System.

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation Law of the State of California are administered by the Retirement Board through the Compensation Division of the Retirement System. To provide medical diagnosis and treatment of industrial injuries and illnesses, a separate ward is maintained at San Francisco General Hospital for this purpose. Other physician-specialists are utilized as needed as well as physical therapy facilities outside the hospital. Claims processing, payment of medical benefits, and provision for weekly benefits are accomplished through a clerical and profession office staff at 450 McAllister Street. Implementation of any changes in the State Law is provided by this division, the City Attorney, and the Workmen's Compensation Appeals Board of the State of California.

Section 159 of the Charter gives the Retirement Board exclusive control of the administration and investment of Retirement System funds derived from contributions of member employees and from contributions of the City and County. These funds now total approximately \$520,000,000. The investment of these funds is a great responsibility since the goal of such investment is to obtain maximum yield without jeopardizing the principal upon which the retirement benefits of City and County employee members are dependent. There is a direct relationship between the yield on investments and size of employee and City contributions required to meet the expense of retirement benefits. The Controller and the Treasurer act jointly as custodian for securities owned, and

the Controller must ascertain that purchases by the Retirement Board are as required in Section 159 of the Charter.

Eligibility for Retirement or Death benefits is determined by the Retirement Board, utilizing recommendations from the Actuarial Division and the Administrative Division. Provision of such benefits as directed by the Retirement Board are processed by the Actuarial Division staff. A Deputy City Attorney from the City Attorney's Office is available to the Board at each meeting and to Retirement System staff to assist in determination of eligibility as defined in the Charter and Administrative Code of the City and County of San Francisco.

Actuarial valuations of the System are a joint effort of the Retirement System's Actuarial Division and an outside actuarial firm employed under contract. There is a close working relationship between this firm and the Retirement System for the purpose of determining the cost of new legislation and the implementation of new legislation, as well as for the purpose of recommending contribution rates after actuarial valuations of the System's mortality and financial status. A valuation of the Retirement System is conducted each even number year and an investigation is conducted each odd number year.

The Accounting Division provides the bookkeeping of the Retirement System, auditing the payrolls, acting as custodian of payrolls for the City and County, as well as keeping a record of contributions to the System, and the additional and disbursement of funds. This Division administers the disbursement of funds for the administration of the Retirement System, constructs the annual budget document, and provides for the payroll and purchase of supplies and equipment for administration of the System. The Controller annually audits the books of the Retirement System. The result of this audit is published annually.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a steady increase. The number of active members as of June 30, 1971 was approximately 28,000.

SOCIAL SECURITY COVERAGE OF MEMBERS

All members of the Retirement System except those who became members of the Retirement System prior to 1959 and who elected not to be covered by Social Security must contribute to Social Security. Those members covered by Social Security may, however, reduce their contribution into the Retirement fund by an amount equal to the Social Security payment less the medicare portion.

CONTRIBUTIONS

Both the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction based on rates effective on July 1, 1971 as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are:

| <u>Nearest Age at Entry Into the System</u> | <u>MALE</u> | <u>FEMALE</u> |
|---|-------------|---------------|
| 20 | 5.19% | 5.50% |
| 30 | 5.95% | 6.41% |
| 40 | 6.98% | 7.71% |
| 50 | 8.32% | 9.37% |

The City and County contributed to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | | |
|-------------------|---------|---------|
| Police Department | (168.1) | 29.877% |
| Fire Department | (171.1) | 25.782% |
| Miscellaneous | (165.2) | 11.502% |

The City and County also made contributions for payment of prior and current service benefits for policemen retired under Sections 166 and 167, firemen retired under Section 169 and 170, and for

others, including matching funds for miscellaneous employees retired under Section 165.

The City and County has contributed to the Retirement fund amounts based on the following rates:

| <u>Effective Date</u> | <u>165.2</u> % | <u>Police</u> <u>168.1</u> % | <u>Fire</u> <u>171.1</u> % |
|-----------------------|-------------------|------------------------------------|----------------------------------|
| July 1947 | 11.34 | 17.47 | |
| July 1949 | 11.34 | 26.85 | 17.98 |
| Nov. 1949 | 11.648 | 26.85 | 17.98 |
| Jan. 1950 | 12.162 | 26.85 | 17.98 |
| Nov. 1950 | 12.207 | 26.85 | 17.98 |
| Dec. 1950 | 12.259 | 26.85 | 17.98 |
| Feb. 1952 | 12.306 | 26.85 | 17.98 |
| Apr. 1952 | 12.306 | 27.691 | 17.98 |
| Feb. 1953 | 12.615 | 27.691 | 17.98 |
| July 1953 (Billing) | 12.553 | 21.062 | 21.662 |
| Apr. 1956 (Billing) | 12.724 | 21.576 | 21.662 |
| Feb. 1957 (Billing) | 12.898 | 19.714 | 27.775 |
| July 1957 | 12.898 | 19.714 | 27.775 |
| July 1957 (Billing) | 12.377 | 18.112 | 25.580 |
| Oct. 1959 | 11.412 | 18.112 | 25.580 |
| Nov. 1959 | 10.508 | 18.112 | 25.580 |
| Mar. 1960 | 10.458 | 18.112 | 25.580 |
| Apr. 1960 | 10.411 | 18.112 | 25.580 |
| July 1961 | 6.236 | 17.268 | 15.802 |
| Mar. 1964 | 6.277 | 17.268 | 15.802 |
| July 1964 | 5.166 | 15.798 | 12.791 |
| July 1969 | 11.205 | 27.204 | 24.498 |
| July 1971 | 11.502 | 29.877 | 25.782 |

WITHDRAWAL OF CONTRIBUTIONS

Withdrawals for 1970-71 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|--------------------------------------|---------------|------------------|----------------|
| Miscellaneous (excluding teachers).. | 856 | \$1,427,884.24 | \$1,668.09 |
| Teachers..... | 467 | 1,642,921.10 | 3,518.03 |
| Policemen..... | 38 | 84,673.53 | 2,228.25 |
| Firemen..... | 4 | 9,413.55 | 2,353.38 |
| Adjustments..... | <u>360</u> | <u>97,467.56</u> | <u>270.74</u> |
| TOTALS: | 1,725 | \$3,262,359.98 | \$1,891.22 |

Teachers, unlike other employees, have the option of retiring either under the State Teachers' Retirement System or under the City and County Employees' Retirement System.

Many teachers each year withdraw their contributions prior to retirement in order to retire under the State System.

SERVICE RETIREMENTS 1970-1971

| | |
|--------------------|-----|
| MISCELLANEOUS | 430 |
| POLICE | 39 |
| Section 168.1 = 38 | |
| Section 166 = 1 | |
| FIRE | 53 |
| Section 171.1 = 62 | |
| Section 169 = 7 | |

TOTAL SERVICE RETIREMENTS 1970-1971: 512

DISABILITY RETIREMENTS 1970-1971

| | |
|--|----|
| MISCELLANEOUS | 39 |
| Average age = 53; range 39-60 years | |
| Average years of service = 22; range 10-35 years | |
| POLICE | 18 |
| Non-industrial Disability = 2 | |
| Industrial Disability = 16 | |
| Section 168.1 = 16 | |
| Section 166 = 0 | |
| Qualified for service = 1 | |
| Not qualified for service = 15 | |
| FIRE | 29 |
| Non-industrial Disability = 2 | |
| Industrial Disability = 27 | |
| Section 171.1 = 23 | |
| Section 169 = 4 | |
| Qualified for service = 23 | |
| Non qualified for service = 4 | |

TOTAL DISABILITY RETIREMENTS 1970-1971: 86

The industrial injuries or illnesses for which these firemen and policemen were retired during 1970-1971 may be classified as follows:

| | <u>Number</u> | <u>Percent</u> |
|--|---------------|----------------|
| Heart and vascular system | 12 | 28 |
| Back | 9 | 20 |
| Injuries to lower extremities | 6 | 15 |
| Injuries to upper extremities | 5 | 12 |
| Injuries to other parts of the body | 7 | 16 |
| Emotional illness | 4 | 9 |
| | <u>43</u> | <u>100%</u> |

TOTAL RETIREMENTS FOR SERVICE AND DISABILITY FOR 1964-1971:

| <u>Year</u> | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|-------------|--------------|----------------|-------------------|
| 1964-1965 | 408 | 335 | 73 |
| 1965-1966 | 371 | 280 | 91 |
| 1966-1967 | 419 | 326 | 93 |
| 1967-1968 | 387 | 293 | 94 |
| 1968-1969 | 499 | 396 | 103 |
| 1969-1970 | 627 | 539 | 88 |
| 1970-1971 | 608 | 522 | 86 |

YEARS OF SERVICE AT RETIREMENT

Of those retiring for service during 1970-1971, the mean average of service for miscellaneous employees was 24 years, whereas the median was 32 years for policemen and firemen.

Credited Years of Service
Prior to Service Retirement
City and County of San Francisco Retirement System
Fiscal Year 1970-1971

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> |
|-------------------------|----------------------|------------|------------------------|
| | Male | Female | |
| 0-5 | 6 | 8 | - |
| 6-10 | 22 | 26 | - |
| 11-15 | 19 | 20 | - |
| 16-20 | 43 | 26 | 0 |
| 21-25 | 54 | 39 | 11 |
| 26-30 | 53 | 26 | 28 |
| 31-35 | 39 | 18 | 33 |
| 36-40 | 14 | 5 | 13 |
| Over 40 | 6 | 6 | 7 |
| | <u>256</u> | <u>174</u> | <u>92</u> |

Credited Years of Service
Prior to Disability Retirement
City and County of San Francisco Retirement System
Fiscal Year 1970-1971

Of those retiring for disability, the median year for miscellaneous employees was about 18 years of service, and the median for police and fire was between 24 and 25 years of service. For policemen and firemen under the old sections of the Charter, the median was between 42 and 43 years. It is of interest to note that while during the fiscal year 1969-1970 many more policemen and firemen retired for disability than did miscellaneous, this fiscal year the number within each classification is about the same.

| <u>Years of Service</u> | <u>Miscellaneous</u> | | <u>Police and Fire</u> | |
|-------------------------|----------------------|----------|------------------------|--------------------|
| | Male | Female | <u>Non-fluctuating</u> | <u>Fluctuating</u> |
| 0-5 | 0 | 0 | 3 | - |
| 6-10 | 1 | 0 | 0 | - |
| 11-15 | 3 | 2 | 3 | - |
| 16-20 | 8 | 3 | 4 | - |
| 21-25 | 13 | 2 | 13 | - |
| 26-30 | 5 | 0 | 4 | - |
| 31-35 | 2 | 0 | 7 | - |
| 36-40 | 0 | 0 | 3 | 0 |
| Over 40 | 0 | 0 | 2 | 4 |
| | <u>32</u> | <u>7</u> | <u>39</u> | <u>4</u> |

AGE AT RETIREMENT

Those members retiring for service during 1970-1971, about 11% of the miscellaneous members and 65% of the policemen and firemen were under age 60 years of age at retirement. Miscellaneous members received a discounted allowance under age 60 whereas policemen and firemen are discounted at an earlier age. About 60% of the miscellaneous members had attained age 65 at retirement, as contrasted with only 5% of policemen and firemen.

Those members retiring for disability during 1970-1971, 62% of the miscellaneous members and 56% of the policemen and firemen were under age 55.

Age at Retirement
MISCELLANEOUS EMPLOYEES

City and County of San Francisco Retirement System
Fiscal Year 1970-1971

SECTION 165.2*

| <u>Retirement Age</u> | <u>Service</u> | <u>Disability</u> |
|-----------------------|----------------|-------------------|
| Under 55 | 0 | 26 |
| 55-59 | 46 | 15 |
| 60-64 | 181 | 1 |
| | <u>191</u> | <u>0</u> |
| | 418 | 42* |

There were 2 Section 165 miscellaneous members retired during fiscal year 1970-1971 not included in this table. Also the total figure for Disability includes 4 police and fire Ordinary Disabilities.

Police and Fire
NON-FLUCTUATING ALLOWANCES
(Sections 168.1 & 171.1)

| | | |
|----------|----------|----------|
| Under 50 | 0 | 17 |
| 50-54 | 20 | 5 |
| 55-59 | 34 | 6 |
| 60-64 | 25 | 8 |
| | <u>4</u> | <u>3</u> |
| | 83 | 39 |

FLUCTUATING ALLOWANCES
(Sections 166 & 169)

| | | |
|----------|----------|----------|
| Under 65 | 0 | 0 |
| 65-69 | <u>9</u> | <u>4</u> |
| | 9 | 4 |

DEATH BENEFITS

SEE MATERIAL ON PAGE 14 of last years' report for information

INDUSTRIAL DEATH ALLOWANCES

Allowances by year to eligible dependents of member policemen and firemen who die as a result of injury or illness incurred in the performance of duty were as follows:

| | |
|---------|----|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |
| 1968-69 | 13 |
| 1969-70 | 8 |
| 1970-71 | 10 |

COMPARISON OF EXPENDITURES FOR ALL
 APPROPRIATIONS OTHER THAN THOSE FOR PERSONAL SERVICES, WITH ORIGINAL
 BUDGET APPROPRIATIONS FOR 1970-1971

| | <u>ORIGINAL</u> <u>APPROPRIATION</u> | <u>AMOUNT</u> <u>EXPENDED</u> | |
|--------------------------------------|---|----------------------------------|-----|
| 200 Contractual Services | \$ 68,591.00 | \$ 79,600.00 | (1) |
| 300 Materials and Supplies | 6,300.00 | 6,503.00 | |
| 400 Equipment | 2,640.00 | 2,558.00 | |
| 300 Fixed Charges | 22,153.00 | 17,597.00 | |
| 301 Accident Compensation | 2,019,170.00 | 2,535,665.00 | (1) |
| 360 Retirement Allowances | | | |
| General Fund | 29,218,689.00 | 26,360,748.00 | |
| Special Fund | 7,437,535.00 | 15,169,549.00 | * |
| 900 Services of Other Departments | | | |
| EDP Program | 117,000.00 | 117,000.00 | |

* School district transfered \$8,288,839.00 to cover their liabilities.

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under Workmen's Compensation Law of the State of California are administered by the Retirement Board through its Compensation Division.

During the 1970-1971 fiscal year, the Compensation Division undertook to update its procedures and streamline its organization. The need for this revision was primarily brought on by a sixty percent increase in the number of new injuries since the 1968-1969 fiscal year. In 1970-1971, the number of injuries requiring only clinical observation remained static, and even decreased by 131, while the number of serious injuries increased from 2,940 in 1969-1970 to 3,862 in 1970-1971, an increase of 922. This represents an overall increase of 15.3% over 1969-1971 in addition to older cases which have been re-activated because of exacerbation of old injuries.

In spite of the additional 922 new cases in 1970-1971, the Compensation Division, as a direct result of its reorganization, has held the cost to the City at approximately the 1969-1970 level. The Retirement System expended \$2,543,212.00 for compensation benefits in 1969-1970 and \$2,535,665.00 in 1970-1971, a decrease of \$7,547.00 over 1969-1970.

COMPENSATION DIVISION COST ANALYSIS

| | 66/67 | 67/68 | 68/69 | 69/70 | 70/71 |
|----------------|--------------|--------------|--------------|---------------|---------------|
| Roll tugs, | \$395,084.74 | \$411,132.87 | \$426,493.90 | \$ 615,541.99 | \$ 699,299.62 |
| General al | 115,269.60 | 131,496.32 | 256,004.13 | 287,085.21 | 308,841.50 |
| sation | 421,060.85 | 521,299.49 | 741,876.59 | 1,201,792.32 | 1,169,146.66 |
| Dis. | | | | 628,725.36 | 612,415.78 |
| (only) | | | | 325,206.20 | 273,687.04 |
| (only) | | | 412,885.22 | 303,519.16 | 338,728.74 |
| Dis. | | | 328,991.37 | 573,066.96 | 556,730.88 |
| aa | 316.60 | 356.00 | 720.00 | 997.00 | 1,675.00 |
| Call g (4) | | | | | 30,050.00 |
| sation ries | 102,963.38 | 61,520.76 | 39,866.82 | 66,819.34 | 151,071.36 |

The Retirement System maintains a ward (Ward 45) at San Francisco General Hospital for the treatment of industrial injuries. Patients are referred to other wards for specialized care when necessary.

Pertinent statistics for 1970-1971 are summarized as follows:

| <u>In-patient Wards</u> | <u>Days</u> | <u>Unit Cost</u> | | <u>Total Charges</u> |
|--------------------------------------|-------------|------------------|--------------|----------------------|
| | | <u>69-70</u> | <u>70-71</u> | |
| Ward 45 | 3114 | \$ 54.00 | \$ 77.00 | \$ 239,778.00 |
| Ward 11 (ICU) | (| | | |
| Ward 33 (CCU) | (| | | |
| Ward 12 (Neuro-surg) | (| 117 | 210.00 | 273.00 |
| Ward 53 (Pull. Resp. ICU) | (| | | 31,941.00 |
| Wards 42, 44, and 71 (Med. Surg.) | 6 | - | 113.00 | 678.00 |
| Ward 95 (Psych.) | 3 | - | 80.00 | 240.00 |
| Admission Ward | <u>1</u> | - | 124.00 | <u>124.00</u> |
| SUB-TOTAL | 3241 | | | \$ 272,761.00 |

| <u>Other Services</u> | <u>Days or Units</u> | <u>Unit Cost</u> | <u>Total Cost</u> |
|-------------------------------------|----------------------|------------------|-------------------|
| General Clinic | 2 | \$ 25.00 | \$ 50.00 |
| Hepatitis Treatment | 167 | 31.00 | 5,177.00 |
| Mission Emergency | 5 | 31.00 | 155.00 |
| Prescriptions | 2,419 | 3.00 | 7,257.00 |
| Physical Therapy Treatments | 798 | 6.00 | 4,788.00 |
| Electrocardiograms | 375 | 15.00 | 5,625.00 |
| Arteriograms | 1 | 35.00 | 35.00 |
| Electroencephalograms | 1 | 35.00 | 35.00 |
| Surgery (hours) | 223 | 35.00 | 7,805.00 |
| Blood (units) | 20 | 25.00 | 500.00 |
| X-rays | 13,301 | 3.50 | 46,553.50 |
| X-rays - Readings by Dr. Coulson | 9,825 | 3.00 | 29,475.00 |
| Sub-total | | | \$ 107,455.50 |
| Total | | | \$ 380,216.50 * |

* This figure is \$29,475.00 greater than the cost given by San Francisco General Hospital Accounting for the following reason:

Dr. Coulson is hired by the Retirement System to read the X-rays taken at San Francisco General Hospital. His charges, therefore, are considered to be a part of the total expense of using San Francisco General Hospital.

[illegible]

COMPENSATION PAID IN FISCAL YEAR 1970-1971

| DEPARTMENT | PERMANENT DISABILITY | TEMPORARY DISABILITY | TOTAL DISABILITY |
|---------------------|-------------------------|-------------------------|---------------------|
| DR | \$ - | \$ - | \$ - |
| RIF | 19,915.20 | 3,335.23 | 23,250.43 |
| ICE | 2025,760.67 | 37,811.90 | 243,572.57 |
| E | 95,887.25 | 17,127.87 | 113,015.12 |
| ENILE COURT | 1,307.92 | 2,381.67 | 3,689.59 |
| STRAR | - | - | - |
| NTY CLERK | - | - | - |
| CHASING | - | 837.50 | 837.50 |
| AUDITORIUM | - | - | - |
| BUILDING REPAIR | 420.00 | 7,375.68 | 7,795.68 |
| BUILDING INSPECTION | = | 387.50 | 387.50 |
| ENGINEERING | = | 25.00 | 25.00 |
| STREET CLEANING | 13,374.74 | 3,828.22 | 17,202.96 |
| SEWER REPAIR | 927.07 | 6,234.25 | 7,161.32 |
| TRICITY | 830.00 | 1,860.00 | 2,690.00 |
| CENTRAL OFFICE | 2,140.16 | 4,854.85 | 6,995.01 |
| LAGUNA HONDA | 14,291.60 | 43,534.12 | 57,825.72 |
| S.F. HOSPITAL | 25,573.77 | 63,078.52 | 88,652.29 |
| EMERGENCY HOSPITALS | 6,822.50 | 5,916.31 | 12,738.81 |
| HASSLER HEALTH | - | 3,563.78 | 3,563.78 |
| AL SERVICES | 2,457.50 | 3,393.12 | 5,850.62 |
| NER | 959.92 | 1,237.50 | 2,197.42 |
| ROLLER | 751.50 | 814.74 | 1,566.24 |
| REMENT | - | - | - |
| L SERVICE | - | 3,350.27 | 3,350.27 |
| T PROBATION | 285.00 | 486.46 | 771.46 |
| ATTORNEY | 12,532.32 | - | 12,532.32 |
| NHART AQUARIUM | - | 62.50 | 62.50 |
| SSORS | - | 1,750.00 | 1,750.00 |
| REATION AND PARK | 17,598.00 | 25,526.95 | 43,124.95 |
| ARY | 175.00 | 837.50 | 1,012.50 |
| MEMORIAL | 2,625.00 | - | 2,625.00 |
| ON OF HONOR | - | - | - |
| OUNG MUSEUM | - | 1,162.50 | 1,162.50 |
| D FUND | 8,438.11 | 9,104.20 | 17,542.31 |
| ORT | 15,256.59 | 8,237.92 | 23,494.51 |
| CIPAL RAILWAY | 63,390.91 | 273,687.04 | 337,077.95 |
| ER | 29,753.56 | 15,801.74 | 45,555.30 |
| CH HETCHY | - | 2,644.50 | 2,644.50 |
| ATION | - | - | - |
| otal | 15,256.59 | 59,803.94 | 75,060.53 |
| eachers | - | 17,953.70 | - |
| scellaneous | - | 41,850.24 | - |
| CIPAL COURT | - | 1,200.00 | 1,200.00 |
| IC DEFENDER | - | 437.50 | 437.50 |
| RD OF SUPERVISORS | - | 350.00 | 350.00 |
| WATER POLLUTION | - | 375.00 | 375.00 |
| ID TOTAL | \$556,730.88 | \$612,415.78 | \$1,169,146.66 |

INDUSTRIAL INJURIES

| DEPARTMENT | CASES ON WHICH PAYMENTS WERE MADE | | CASES ON WHICH NO PAYMENTS WERE MADE | | TOTAL INJURIES | |
|------------------------|--------------------------------------|------|---|------|-------------------|------|
| | FY | FY | FY | FY | FY | FY |
| | 1969 | 1970 | 1969 | 1970 | 1969 | 1970 |
| | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 |
| City Court | 17 | 20 | 10 | 8 | 27 | 28 |
| City Hall | 3 | 3 | 1 | 1 | 4 | 4 |
| Electricity | 12 | 9 | 4 | 5 | 16 | 14 |
| Public Utilities Comm. | 1 | 1 | 0 | 0 | 1 | 1 |
| Purchasing | 4 | 13 | 6 | 9 | 10 | 22 |
| City Attorney | 1 | 4 | 2 | 0 | 3 | 4 |
| City District Attorney | - | 1 | - | 0 | - | 1 |
| Finance and Records | - | 0 | 2 | 0 | 2 | 0 |
| Health Service | 5 | 1 | - | 0 | 5 | 1 |
| Municipal Court | 2 | 1 | 1 | 0 | 3 | 1 |
| County Probation | 1 | 3 | 1 | 1 | 2 | 4 |
| Estate | 4 | 1 | - | 0 | 4 | 1 |
| Weights and Measures | 1 | 0 | 1 | 1 | 2 | 1 |
| Human Rights | 2 | 0 | 1 | 2 | 3 | 2 |
| Culture | 1 | 0 | - | 0 | 1 | 0 |
| Recreation | 1 | 1 | - | 0 | 1 | 1 |
| Bldg. Repair -200- | 17 | 17 | 16 | 10 | 33 | 27 |
| Bldg. Inspection | 5 | 2 | 4 | 0 | 9 | 2 |
| Engineering -200- | 5 | 5 | 6 | 2 | 11 | 7 |
| Sewer Repair -200- | 22 | 22 | 15 | 11 | 37 | 33 |
| Street Cleaning -200- | 27 | 51 | 36 | 25 | 63 | 76 |
| General Office | - | - | 5 | 0 | 5 | 0 |
| Bureau Accounts | - | 0 | 2 | 0 | 2 | 0 |
| Collector | - | 2 | - | 0 | - | 2 |

INDUSTRIAL INJURIES

| DEPARTMENT | CASES ON WHICH PAYMENTS WERE MADE | | CASES ON WHICH NO PAYMENTS WERE MADE | | TOTAL INJURIES | |
|-----------------------|--------------------------------------|------------|---|------------|-------------------|------------|
| | FY 1969 | FY 1970 | FY 1969 | FY 1970 | FY 1969 | FY 1970 |
| | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 |
| Engineering -996- | 1 | 4 | 2 | 0 | 3 | 4 |
| Building Repair -996- | 11 | 12 | 4 | 1 | 15 | 13 |
| Sewer Repair -996- | 1 | 2 | 1 | 0 | 2 | 2 |
| Architecture | 2 | 0 | 1 | 0 | 3 | 0 |
| Road Fund | 24 | 17 | 15 | 5 | 39 | 22 |
| Traffic Painting | 1 | 0 | - | 1 | 1 | 1 |
| Recreation & Park | 113 | 162 | 83 | 74 | 196 | 236 |
| Library | 11 | 5 | 5 | 2 | 16 | 7 |
| Order of Honor | 1 | 2 | - | 0 | 1 | 2 |
| Young Museum | 5 | 8 | 4 | 2 | 9 | 10 |
| International Airport | 19 | 24 | 20 | 16 | 39 | 40 |
| Municipal Railway | 683 | 814 | 251 | 241 | 934 | 1055 |
| Tram | 75 | 100 | 55 | 24 | 130 | 124 |
| Sanitary Hetchy | 26 | 36 | 15 | 2 | 41 | 38 |
| Sanitation | 288 | 380 | 276 | 264 | 564 | 644 |
| Police | 552 | 753 | 430 | 433 | 982 | 1186 |
| | 576 | 716 | 402 | 312 | 978 | 1028 |
| Treasurer | 2 | 4 | 1 | 1 | 3 | 5 |
| Controller | 2 | 5 | 5 | 2 | 7 | 7 |
| Registrar | 4 | 3 | 2 | 2 | 6 | 5 |
| Staff | 29 | 20 | 13 | 15 | 42 | 35 |
| Fire Service | 2 | 2 | - | 2 | 2 | 4 |
| Municipal Services | 29 | 24 | 12 | 4 | 41 | 28 |
| Director | - | 4 | - | 0 | 0 | 4 |
| Legal Office | - | 1 | - | 0 | 0 | 1 |

INDUSTRIAL INJURIES

| DEPARTMENT | CASES ON WHICH PAYMENTS WERE MADE | | CASES ON WHICH NO PAYMENTS WERE MADE | | TOTAL INJURIES | |
|-----------------------------------|--------------------------------------|-------|---|-------|-------------------|-------|
| | FY | FY | FY | FY | FY | FY |
| | 1969 | 1970 | 1969 | 1970 | 1969 | 1970 |
| | 1970 | 1971 | 1970 | 1971 | 1970 | 1971 |
| <u>Public Health</u> | | | | | | |
| Central Office | 15 | 25 | 21 | 5 | 36 | 30 |
| Emergency Hospitals | 23 | 20 | 14 | 12 | 37 | 32 |
| Esler Health Hospital | 6 | 24 | 15 | 20 | 21 | 44 |
| Marina Honda Hospital | 74 | 106 | 47 | 52 | 121 | 158 |
| San Francisco General Hospital | 234 | 431 | 429 | 536 | 663 | 967 |
| Community Health | - | 1 | - | 1 | 0 | 2 |
| Youth Guidance | - | - | - | 3 | 0 | 3 |
| TOTAL | 2,940 | 3,862 | 2,238 | 2,107 | 5,178 | 5,969 |

RECAP OF ACTIVITIES OF INVESTIGATIVE SECTION FOR FISCAL YEAR 1970-1971

| <u>Investigations Completed</u> | <u>Schillaci</u> | <u>Other</u> | <u>Total</u> |
|---------------------------------|------------------|--------------|--------------|
| Administrative | 170 | 0 | 170 |
| WCAB | 103 | 0 | 103 |
| Board | 186 | 0 | 186 |
| Other Investigations | <u>27</u> | <u>0</u> | <u>27</u> |
| Total Investigations | 486 | 0 | 486 |
| Subpoenas Served | 337 | 105 | 442 |
| Copy Assignments | 2 | 19 | 21 |

NOTE: Of the 105 subpoenas served by "Other", 52 were served by an outside agency as there were no funds available in the revolving fund. The remaining 53 subpoenas were served by Mr. Grant and Mr. Scarpa. The copy assignments completed by "Other" were done by Mr. Carbone.

INVESTMENT POLICYI. INTRODUCTION

The Retirement System was established April 1, 1922, under Article XVII, of the Charter adopted November 2, 1920. This Charter provided that "The Board of Administration shall have exclusive control of the administration and investment of such fund or funds as may be established." The broad powers of the Board were limited by Section 159 of the new Charter adopted January 8, 1932, which gave the Retirement Board "exclusive control of the administration and investment of such fund or funds as may be established, provided that all investments shall be of the character legal for insurance companies in California."

II. SUMMARY OF INVESTMENT ACTIVITY FOR FISCAL YEAR

During the year, the Retirement System made net additions of \$22,243,000 to the common stock portfolio and \$35,920,000 to the bond portfolio. At the beginning of the fiscal year the common stocks held in the portfolio were \$6,690,509 less than original cost; whereas, at fiscal year end, the common stock portfolio had an unrealized appreciation of \$1,142,421 which was an increase of \$7,832,930 in the value of the common stock portfolio.

Of the \$35,920,000 invested in bonds for the year, the yields obtained ranged from a low of 7.20% to a high of 9-1/8% with the major portion being invested above 8%. Also, the system engaged in a bond switch program, which amounted to sale of approximately \$10,000,000 low coupon issues and the subsequent reinvestment in higher coupon issues. This bond switch program resulted in increasing the annual income of the fund by \$225,000.

Attached is a listing of the investment portfolio as of June 30, 1971.

STOCK HOLDINGS AS OF JUNE 30, 1971

| <u>Number of Shares</u> | <u>Company</u> | <u>Cost</u> | <u>Market Value June 30, 1971</u> |
|--------------------------------------|--|--------------|---|
| <u>Preferred Stock (Convertible)</u> | | | |
| 4,500 | International Telephone & Telegraph \$2.25 Series "N" | \$ 1,037,437 | \$ 1,127,375 |
| 5,000 | Safeco Corporation, 4-1/2% | 388,750 | 395,625 |
| <u>Common Stock</u> | | | |
| 0,000 | American Home Products | 614,311 | 765,000 |
| 4,000 | American Telephone & Telegraph Company | 710,387 | 638,750 |
| 5,000 | Atlantic Richfield Company | 517,545 | 438,750 |
| 0,000 | Bank of New York Incorporated | 929,266 | 830,000 |
| 5,000 | Betz Laboratories, Incorporated | 240,250 | 232,500 |
| 5,262 | Boise Cascade Corporation | 1,231,280 | 745,229 |
| 5,000 | Borden, Incorporated | 612,125 | 653,125 |
| 0,000 | Carrier Corporation | 726,783 | 740,000 |
| 0,000 | Chemical New York Corporation | 1,237,744 | 1,130,000 |
| 3,500 | Continental Oil Company | 580,981 | 670,625 |
| 5,000 | Control Data Corporation | 1,128,671 | 915,000 |
| 3,100 | Corning Glass Works | 675,347 | 777,325 |
| 0,000 | Deere and Company | 845,233 | 875,000 |
| 3,000 | Del Monte Corporation | 632,684 | 586,500 |
| 3,600 | Dentsply International Incorporated | 391,652 | 538,900 |
| 2,000 | Dow Chemical Company | 585,500 | 812,000 |
| 5,000 | Eastman Kodak Company | 959,365 | 1,009,125 |
| 1,000 | First Chicago Corporation | 653,534 | 688,875 |
| 0,000 | First National City Corporation | 1,064,075 | 1,035,000 |
| 0,000 | FMC Corporation | 769,453 | 806,250 |
| 0,000 | Ford Motor Company | 1,817,863 | 2,062,500 |
| 0,000 | General Electric Company | 1,884,240 | 2,126,250 |
| 5,500 | General Motors Corporation | 411,215 | 435,187 |
| 0,000 | Gulf Oil Corporation | 1,094,057 | 941,250 |
| 0,000 | Harcourt Brace Jovanovich | 1,096,753 | 1,112,500 |
| 0,000 | Honeywell, Incorporated | 757,769 | 835,000 |
| 5,500 | Household Finance Corporation | 879,529 | 1,037,375 |
| 0,000 | International Business Machines | 2,676,960 | 2,536,000 |
| 0,000 | International Paper Company | 755,589 | 702,500 |
| 0,000 | Kaiser Aluminum and Chemical | 928,583 | 756,250 |
| 0,000 | Kimberly Clark Corporation | 677,831 | 620,000 |
| 0,000 | Lear, Siegler, Incorporated | 408,175 | 294,000 |
| 5,500 | Minnesota Mining and Manufacturing Company | 1,744,001 | 2,008,875 |
| 5,600 | Murphy, G. C. Company | 330,593 | 381,350 |
| 0,000 | Northwest Airlines | 296,808 | 266,625 |
| 0,000 | Pabst Brewing Company | 511,000 | 679,250 |
| 0,000 | Panhandle Eastern Pipe Line | 915,219 | 918,750 |
| 0,000 | Procter & Gamble Company | 1,326,309 | 1,489,250 |
| 5,500 | Republic Steel Corporation | 242,301 | 138,187 |
| 0,000 | Richmond Corporation | 1,106,250 | 1,015,625 |

ber of
shares

Company

Cost

Market
Value
June 30, 1971

| | | | |
|-----|------------------------------------|----------------|------------------|
| 000 | Sears Roebuck and Company | \$ 609,779 | \$ 780,750 |
| 000 | Smith, Kline & French Laboratories | 498,138 | 527,500 |
| 000 | Southern California Edison Company | 1,301,314 | 1,360,000 |
| 000 | Southern Pacific Company | 538,303 | 620,625 |
| 500 | Standard Oil Company of Indiana | 400,014 | 457,500 |
| 000 | Standard Oil Company of New Jersey | 1,920,505 | 1,884,375 |
| 000 | Taft Broadcasting Company | 752,584 | 800,000 |
| 000 | Texaco, Incorporated | 1,974,299 | 1,959,375 |
| 000 | Travelers Corporation | 655,241 | 722,500 |
| 000 | Union Carbide Corporation | 2,195,072 | 2,238,000 |
| 000 | Union Oil Company of California | 742,896 | 750,000 |
| 000 | Union Pacific Corporation | 393,673 | 514,125 |
| 000 | U. S. Plywood - Champion Paper | 1,268,050 | 1,150,000 |
| 000 | Xerox Corporation | <u>938,221</u> | <u>1,160,000</u> |
| | Totals | \$ 50,581,507 | \$ 51,692,428 |

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ANNUAL REPORT

7/1/71--6/31/72

CITY AND COUNTY OF SAN FRANCISCO

EMPLOYEES' RETIREMENT SYSTEM

DOCUMENTS

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CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM

ANNUAL REPORT 1971 - 1972

ADMINISTRATION

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors on April 1, 1922, and is now in its 50th year of service to the employees of the City and County of San Francisco.

The System is administered by the Retirement Board consisting of seven members: President of the Board of Supervisors, three active members of the System elected by the membership, and three members appointed by the Mayor, who shall either hold a degree of Doctor of Medicine or shall be experienced in life insurance, actuarial science, employee pension planning, or investment portfolio management. Each member appointed by the Mayor shall be from among a list of names submitted by a committee consisting of two members each of the San Francisco Medical Society, Bar Association, Real Estate Board, and the Chamber of Commerce; no more than one doctor may serve on the Board at any one time.

Members of the Retirement Board as of June 30, 1972, were: John Simpson, Philip Kearney and Warren DeMerit, elected by the employee membership; James Lawry (President), Warren Johnson (Vice-President), and Dean Anderson, appointed by the Mayor; and Ronald Pelosi, President of the Board of Supervisors.

In aid in the administration of the System, the Retirement Board appoints an Actuary and a Secretary-General Manager. The Actuary holds his office at the pleasure of the Board. The latter is the Retirement System General Manager and is subject to the Civil Service provisions of the Charter. The General Manager has jurisdiction over approximately 56 permanent employees divided into six divisions namely: Administration, Investment, Accounting, Actuarial, Membership and Workmen's Compensation.

During the fiscal year 1971 - 1972, 159 hearings of applicants or their representatives were held in 40 meetings of the Retirement Board. Applications granted and denied during the year were as follows:

Liability Indemnity Incurred
Police and Fire Only

| | <u>Granted</u> | <u>Denied</u> |
|----------------------------|----------------|---------------|
| Retirements | 47 | 5 |
| Indemnification only | 27 | 2 |

Disability Industrially Incurred
Police and Fire Only (Cont)

| | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Monthly death benefits | 11 | 0 |
| Payment of self-incurred medical bills | 20 | 0 |
| The cost to the City for payment of self-incurred medical bills was \$40,251.38. | | |
| The cost to the City for payment of self-incurred medical bills for the fiscal years 1968 - 69 to 1970 - 71 are reflected below: | | |

| | |
|-----------|-------------|
| 1968 - 69 | \$18,650.06 |
| 1969 - 70 | 19,482.19 |
| 1970 - 71 | 17,645.14 |

| <u>Ordinary Disability Retirements</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| Police and Fire | 1 | 0 |
| Other | 48 | 2 |

In addition to the above, the Board must consider and pass on numerous staff activities, including the investment of Retirement System funds and the appropriation and transfer of funds for the administration of the System.

As provided by Section 172 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation Law of the State of California are administered by the Retirement Board through the Compensation Division of the Retirement System. To provide medical diagnosis and treatment of industrial injuries and illnesses, the Franciscan Treatment Room is now maintained at Saint Francis Hospital.

On June 12, 1972, our new Industrial Clinic was opened at Saint Francis Memorial Hospital. This brought to a close the operation of Ward 45 (originally Ward 1 - established in 1932) at San Francisco General Hospital.

In addition, Ordinance Number 64-72 passed by the Board of Supervisors, and signed by the Mayor on March 16, 1972, allowed for use of other medical facilities in addition to San Francisco General Hospital. Private hospitals throughout the City, designated by the attending physician, are now used for the care and treatment of our industrially-injured employees. Other physician-specialists are utilized as needed, as well as physical therapy facilities.

Claims processing, payment of medical benefits, and provision for weekly benefits are accomplished through a clerical and profession office staff at 1150 Bush Street. Implementation of any changes in the State law is provided by this Division, the City Attorney, and the Workmen's Compensation Appeals Board of the State of California.

Section 159 of the Charter gives the Retirement Board exclusive control of the administration and investment of Retirement System funds derived from contributions of member employees and from contributions of the City and County. These funds now total \$563,737,466.00. The investment of these funds is a great responsibility, since the goal of such investment is to obtain maximum yield without jeopardizing the principal upon which the retirement benefits of City and County employee members are dependent. There is a direct relationship between the yield on investments and size of employee and City contributions required to meet the expense of retirement benefits. The Controller and the Treasurer act jointly as custodian for securities owned, and the Controller must ascertain that purchases by the Retirement Board are as required in Section 159 of the Charter.

Eligibility for Retirement or Death benefits is determined by the Retirement Board, utilizing recommendations from the Actuarial Division and the Administrative Division. Provision of such benefits as directed by the Retirement Board are processed by the Actuarial Division staff. A Deputy City Attorney from the City Attorney's Office is available to the Board at each meeting and to Retirement System staff to assist in determination of eligibility as defined in the Charter and Administrative Code of the City and County of San Francisco.

Actuarial valuations of the System are a joint effort of the Retirement System's Actuarial Division and an outside actuarial firm employed under contract. There is a close working relationship between this firm and the Retirement System for the purpose of determining the cost of new legislation and the implementation of new legislation, as well as for the purpose of recommending contribution rates after actuarial valuations of the System's mortality and financial status. A valuation of the Retirement System is conducted each even number year and an investigation is conducted each odd number year.

The Accounting Division provides the bookkeeping of the Retirement System, auditing the payrolls, acting as custodian of payrolls for the City and County, as well as keeping a record of contributions to the System, and the additional and disbursement of funds. This Division administers the disbursement of funds for the administration of the Retirement System, constructs the annual budget document, and provides for the payroll and purchase of supplies and equipment for administration of the System. The Controller annually audits the books of the Retirement System. The result of this audit is published annually.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a steady increase. The number of active members as of June 30, 1972, was approximately 26,500.

SOCIAL SECURITY COVERAGE OF MEMBERS

All members of the Retirement System except those who became members of the Retirement System prior to 1959 and who elected not to be covered by Social Security must contribute to Social Security. Those members covered by Social Security may, however, reduce their contribution into the Retirement fund by an amount equal to the Social Security payment less the medicare portion.

CONTRIBUTIONS

Both the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction based on rates effective on July 1, 1972 as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are:

| <u>Nearst Age at Entry Into the System</u> | <u>MALE</u> | <u>FEMALE</u> |
|--|-------------|---------------|
| 20 | 5.19% | 5.50% |
| 30 | 5.95% | 6.41% |
| 40 | 6.98% | 7.71% |
| 50 | 8.32% | 9.37% |

The City and County contributed to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | | |
|-------------------|---------|---------|
| Police Department | (168.1) | 29.877% |
| Fire Department | (171.1) | 25.782% |
| Miscellaneous | (165.2) | 11.502% |

The City and County also made contributions for payment of prior and current service benefits for policemen retired under Sections 166 and 167, firemen retired under Section 166 and 170, and for others including attending death for miscellaneous employees retired under Section 165.

The City and County has contributed to the Retirement fund amounts based on the following rates:

| <u>Effective Date</u> | <u>165.2</u> % | <u>Police</u> <u>168.1</u> % | <u>Fire</u> <u>171.1</u> % |
|-------------------------|-------------------|------------------------------------|----------------------------------|
| July 1947 | 11.34 | 17.47 | |
| July 1949 | 11.34 | 26.85 | 17.98 |
| November 1949 | 11.648 | 26.85 | 17.98 |
| January 1950 | 12.162 | 26.85 | 17.98 |
| November 1950 | 12.207 | 26.85 | 17.98 |
| December 1950 | 12.259 | 26.85 | 17.98 |
| February 1952 | 12.306 | 26.85 | 17.98 |
| April 1952 | 12.306 | 27.691 | 17.98 |
| February 1953 | 12.615 | 27.691 | 17.98 |
| July 1953 (Billing) | 12.553 | 21.062 | 21.662 |
| April 1956 (Billing) | 12.724 | 21.576 | 21.662 |
| February 1957 (Billing) | 12.898 | 19.714 | 27.775 |
| July 1957 | 12.898 | 19.714 | 27.775 |
| July 1957 (Billing) | 12.377 | 18.112 | 25.580 |
| October 1959 | 11.402 | 18.112 | 25.580 |
| November 1959 | 10.508 | 18.112 | 25.580 |
| March 1960 | 10.452 | 18.112 | 25.580 |
| April 1960 | 10.411 | 18.112 | 25.580 |
| July 1961 | 6.236 | 17.268 | 15.802 |
| March 1964 | 6.277 | 17.268 | 15.802 |
| July 1964 | 5.166 | 15.798 | 12.791 |
| July 1969 | 11.205 | 27.204 | 24.498 |
| July 1971 | 11.402 | 29.877 | 25.782 |

WITHDRAWAL OF CONTRIBUTIONS

Withdrawals for 1971 - 72 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|---------------------------------------|---------------|------------------|----------------|
| Miscellaneous (excluding teachers) .. | 1151 | \$1,628,813.12 | \$1,415.13 |
| Teachers | 255 | 715,104.36 | 2,804.33 |
| Policemen | 26 | 85,297.65 | 3,280.68 |
| Firemen | 2 | 17,841.55 | 8,920.78 |
| Adjustments | <u>370</u> | <u>51,383.13</u> | <u>138.87</u> |
| TOTALS: | 1,804 | \$2,498,439.81 | \$1,384.94 |

Teachers, unlike other employees, have^{had} the option of retiring either under the State Teachers' Retirement System or under the City and County Employees' Retirement System.

Many teachers each year withdraw their contributions prior to retirement in order to retire under the State System.

Due to the passage of Assembly Bill #961, effective July 1, 1972, all newly hired Certificated Personnel will belong to the State Teachers' Retirement System only.

RETIREMENT ALLOWANCES AS OF JUNE 30, 1972

| ROLL TYPE | NUMBER OF ALLOWANCES | AMOUNT | |
|-------------------|----------------------------|----------------|----------|
| | | TOTAL | AVERAGE |
| <u>Service</u> | | | |
| Miscellaneous | 4,905 | \$1,360,546.05 | \$277.38 |
| Fire | 601 | 395,648.69 | 658.32 |
| Police | 532 | 255,859.45 | 480.94 |
| <u>Disability</u> | | | |
| Miscellaneous | 739 | 152,985.28 | 207.02 |
| Fire | 365 | 228,288.79 | 592.96 |
| Police | 517 | 246,022.67 | 475.87 |
| <u>Death</u> | | | |
| Fire | 119 | 79,765.59 | 670.30 |
| Police | 132 | 74,556.36 | 564.82 |
| <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | 7,930 | \$2,793,672.88 | \$352.29 |

SERVICE RETIREMENTS 1971-1972

| | |
|----------------------------------|-----|
| CELLANEOUS | 524 |
| ICE | 37 |
| Section 168.1 = 35 | |
| Section 166 = 2 | |
| IE | 50 |
| Section 171.1 = 42 | |
| Section 169 = 8 | |
| TOTAL SERVICE RETIREMENTS 71/72: | 611 |

DISABILITY RETIREMENTS 1971-1972

| | |
|---|-----|
| CELLANEOUS | 48 |
| Average age = 53; range 38-62 years | |
| Average years of service = 19; range 6-38 years | |
| ICE | 21 |
| Non-industrial Disability = 0 | |
| Industrial Disability = 21 | |
| Section 168.1 = 21 | |
| Section 166 = 0 | |
| Qualified for service = 4 | |
| Not qualified for ser.= 17 | |
| IE | 31 |
| Non-industrial Disability = 1 | |
| Industrial Disability = 30 | |
| Section 171.1 = 24 | |
| Section 169 = 6 | |
| Qualified for service = 16 | |
| Not qualified for ser.= 14 | |
| TOTAL DISABILITY RETIREMENTS 71/72: | 100 |

e industrial injuries or illnesses for which firemen and policemen were retired
ing 1971-72 may be classified as follows:

| | <u>NUMBER</u> | <u>PERCENT</u> |
|---|---------------|----------------|
| Heart and Vaseular System | 15 | 29 |
| Back | 14 | 27 |
| Injuries to Lower Extremities | 10 | 20 |
| Injuries to Upper Extremities | 5 | 10 |
| Injuries to other parts of the body | 6 | 12 |
| Emqtional Illness | 1 | 2 |
| | <u>51</u> | <u>100%</u> |

TOTAL RETIREMENTS FOR SERVICE AND DISABILITY FOR 1964-1972:

| <u>Year</u> | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|-------------|--------------|----------------|-------------------|
| 1964-1965 | 408 | 335 | 73 |
| 1965-1966 | 371 | 280 | 91 |
| 1966-1967 | 419 | 326 | 93 |
| 1967-1968 | 387 | 293 | 94 |
| 1968-1969 | 499 | 396 | 103 |
| 1969-1970 | 627 | 539 | 88 |
| 1970-1971 | 608 | 522 | 86 |
| 1971-1972 | 711 | 611 | 100 |

YEARS OF SERVICE AT RETIREMENT

those retiring for service during 1971-1972, the mean average of service for miscellaneous employees was 23 years. The median for policemen and firemen was 24 years.

CREDITED YEARS OF SERVICE PRIOR TO SERVICE RETIREMENT CITY AND COUNTY OF SAN FRANCISCO RETIREMENT SYSTEM FISCAL YEAR 1971-1972

| YEARS OF SERVICE | MISCELLANEOUS | | POLICE and FIRE |
|------------------|---------------|------------|-----------------|
| | MALE | FEMALE | |
| 0-5 | 12 | 13 | - |
| 6-10 | 19 | 19 | - |
| 11-15 | 30 | 39 | - |
| 16-20 | 47 | 22 | - |
| 21-25 | 68 | 38 | - |
| 26-30 | 67 | 29 | 31 (25-29) |
| 31-35 | 66 | 15 | 36 (30-34) |
| 36-40 | 25 | 7 | 10 (35-39) |
| Over-40 | 6 | 2 | 10 (40---) |
| | <u>340</u> | <u>184</u> | <u>87</u> |

CREDITED YEARS OF SERVICE PRIOR TO DISABILITY RETIREMENT CITY AND COUNTY OF SAN FRANCISCO RETIREMENT SYSTEM FISCAL YEAR 1971-1972

| YEARS OF SERVICE | MISCELLANEOUS | | POLICE AND FIRE | |
|------------------|---------------|-----------|------------------|----------|
| | MALE | FEMALE | Non-Fluct/Fluct. | |
| 0-5 | 0 | 0 | 3 | - |
| 6-10 | 1 | 4 | 3 | - |
| 11-15 | 8 | 2 | 5 | - |
| 16-20 | 9 | 4 | 5 | - |
| 21-25 | 3 | 7 | 15 | - |
| 26-30 | 5 | 2 | 3 | - |
| 31-35 | 1 | 0 | 8 | - |
| 36-40 | 1 | 1 | 3 | 2 |
| Over 40 | 0 | 0 | 0 | 4 |
| | <u>28</u> | <u>20</u> | <u>45</u> | <u>6</u> |

those retiring for disability, the median length of service for miscellaneous employees was about 18 years, and the median for police and fire was between 18 and 24 years of service. For policemen and firemen under the old sections of the Charter, the median was between 42 and 43 years.

AT RETIREMENT

those members retiring for service during 1971-72, about 8% of the miscellaneous members and 55% of the policemen and firemen were under age 60. About 42% of the miscellaneous members had attained age 65 at retirement. About 15% of the policemen and firemen were 65 or over.

those members retiring for disability during 1971-72, 42% of the miscellaneous members and 56% of the policemen and firemen were under age 55.

Age at Retirement MISCELLANEOUS EMPLOYEES

City and County of San Francisco Retirement System
Fiscal Year 1971-1972

| <u>Retirement Age</u> | <u>Service</u> | <u>Disability</u> |
|-----------------------|----------------|-------------------|
| Under 55 | 0 | 20 |
| 55-59 | 43 | 24 |
| 60-64 | 261 | 4 |
| 65 | 220 | 0 |
| | <u>524</u> | <u>48</u> |

Police and Fire NON-FLUCTUATING ALLOWANCES

| | | |
|----------|-----------|-----------|
| Under 50 | 0 | 23 |
| 50-54 | 14 | 6 |
| 55-59 | 34 | 10 |
| 60-64 | 26 | 5 |
| 65 | <u>3</u> | <u>1</u> |
| | <u>77</u> | <u>45</u> |

FLUCTUATING ALLOWANCES

| | | |
|---------|-----------|----------|
| 60-65 | 0 | 1 |
| Over 65 | <u>10</u> | <u>5</u> |
| | <u>10</u> | <u>6</u> |

ATH BENEFITS

material on Page 14 of the Report for 1969-1970.

INDUSTRIAL DEATH ALLOWANCES

| <u>Year</u> | <u>Number</u> |
|-------------|---------------|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |
| 1968-69 | 13 |
| 1969-70 | 8 |
| 1970-71 | 10 |
| 1971-72 | 14 |

COMPARISON OF EXPENDITURES FOR ALL
APPROPRIATIONS OTHER THAN THOSE FOR PERSONAL SERVICES, WITH ORIGINAL
BUDGET APPROPRIATIONS FOR 1971-1972

| | <u>ORIGINAL APPROPRIATION</u> | <u>AMOUNT EXPENDED</u> | |
|-------------------------------------|-----------------------------------|----------------------------|-------|
| 00 Contractual Services | \$ 71,491.00 | \$ 82,193.00 | (1) |
| 00 Materials and Supplies | 6,300.00 | 6,265.00 | |
| 00 Equipment | 2,250.00 | 343.00 | |
| 00 Fixed Charges | 109.00 | -0- | |
| 01 Accident Compensation | 1,960,971.00 | 2,823,894.58 | (1) * |
| 50 Retirement Allowances | | | |
| General Fund | 32,880,682.00 | 30,939,146.42 | |
| Special Fund | 8,146,892.00 | 16,601,947.85 | * |
| 53 Mandatory Fringe Benefits | 330,420.00 | 310,173.00 | |
| 00 Services of Other Departments | | | |
| EDP Program | 117,000.00 | 117,000.00 | |

* School district transferred \$8,923,338.00 to cover their Retirement liabilities, and \$171,360.00 to cover their accident compensation liabilities.

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

SAN FRANCISCO CITY & COUNTY RETIREMENT SYSTEM
STOCK VALUATION REPORT

JUNE 30, 1972

| | CCST | AVG PER SH | SHARES | TOTAL | CURRENT PRICE | MARKET VALUE | LIVIN- GEND | YLD | ANNUAL INCOME | APPROX CAPX |
|---|------------------|----------------|--------|------------------------------|------------------|------------------------------|----------------|------------|-------------------------|----------------------|
| INDEPENDENT INDUSTRIAL AIRLINES, INC. | 23,140 | 30.00 | 23,140 | 846,500.00 | 35.75 | 827,255.00 | | | | -15,245. |
| UNITED FARM MUTUAL FC GENERAL MUTUALS CORP. | 40,000 8,500 | 61.43 70.50 | 48,500 | 2,457,185.00 652,674.00 | 63.075 74.875 | 2,455,000.00 636,437.50 | 2.70 3.05 | 4.2 4.9 | 108,000.00 31,025.00 | 97,814. -17,236. |
| TOTAL DATA | 3,110,800.00 | | | 3,191,437.50 | | | | 4.4 | 135,025.00 | 50,577. |
| DATA ON NEW YORK CC INC | 35,000 | 45.70 | 35,000 | 1,525,150.00 | 57.025 | 1,316,875.00 | 2.00 | 5.3 | 70,000.00 | -212,641. |
| GENERAL INVESTMENT CORP. | 25,000 | 50.70 | 25,000 | 1,417,500.00 | 56.125 | 1,353,125.00 | 2.00 | 3.7 | 50,000.00 | -64,272. |
| GENERAL NEW YORK CORP. | 20,000 | 55.00 | 20,000 | 1,600,424.00 | 48.50 | 1,326,000.00 | 2.08 | 5.8 | 77,128.00 | -277,847. |
| TOTAL DATA | 4,551,263.00 | | | 3,996,000.00 | | | | 4.9 | 157,134.00 | -554,003. |
| UNITED GENERAL INTERNATIONAL CORP. | 70,000 | 20.44 | 70,000 | 2,025,737.00 | 28.25 | 1,557,500.00 | .84 | 3.8 | 58,300.00 | -406,237. |
| ARMOUR & SONS, INC. | 10,000 | 45.44 | 10,000 | 434,425.00 | 40.00 | 400,000.00 | .12 | .3 | 1,200.00 | -34,425. |
| UNITED STATES | 50,000 | 35.05 | 50,000 | 1,652,462.00 | 26.75 | 1,337,500.00 | 1.50 | 5.6 | 75,000.00 | -314,922. |
| TOTAL BUILDING | 4,112,624.00 | | | 3,295,000.00 | | | | 4.1 | 135,300.00 | -617,524. |
| CHEMICAL DATA LABORATORIES | 30,000 | 44.07 | 30,000 | 740,063.00 | 40.00 | 1,200,000.00 | .16 | .4 | 4,800.00 | 455,937. |
| FRANKLIN CORPORATION | 60,000 | 45.71 | 60,000 | 1,954,674.00 | 24.025 | 1,477,500.00 | 1.20 | 4.9 | 72,000.00 | -77,174. |
| UNION CARBIDE CORP. | 70,000 | 44.96 | 70,000 | 2,146,580.00 | 45.075 | 3,211,250.00 | 2.00 | 4.4 | 140,000.00 | 64,270. |
| TOTAL CHEMICAL | 5,441,717.00 | | | 5,428,750.00 | | | | 3.7 | 216,800.00 | 447,033. |
| CONSUMER GENERAL PRODUCTS, INC. | 20,000 | 95.25 | 20,000 | 1,904,644.00 | 114.25 | 2,285,000.00 | 1.35 | 1.2 | 27,000.00 | 280,356. |
| DRUG SPRING, ALINE & FRENCH LABS. SILVER DRUG, INC. | 20,000 60,000 | 51.24 31.74 | 80,000 | 1,024,763.00 1,904,533.00 | 50.075 35.375 | 1,177,500.00 2,122,500.00 | 2.00 .56 | 3.4 1.6 | 40,000.00 33,600.00 | 152,737. 217,967. |
| TOTAL DRUG | 2,925,296.00 | | | 3,300,000.00 | | | | 2.2 | 73,600.00 | 270,764. |

| COST | | | | | | | | | | |
|--------------------------------------|--------|---------|---------------|--------|---------------|---------------|-----|------------------|-----------------------------|--|
| | AVG | SHARES | TOTAL | PRICE | MARKET VALUE | DIVI- DEND | YLD | ANNUAL INCOME | APPROX- IMATE PERCENT | |
| ELECTRIC UTILITY | | | | | | | | | | |
| AMERICAN ELECTRIC CO. | 40.00 | 70,000 | 1,855,000.00 | 26.75 | 1,837,500.00 | 1.84 | 7.0 | 128,800.00 | -17.500.00 | |
| AMERICAN POWER CO. | 40.00 | 70,000 | 2,107,000.00 | 28.125 | 2,100,375.00 | 2.00 | 7.1 | 150,000.00 | -18.500.00 | |
| AMERICAN ELECTRIC CO. | 34.70 | 60,000 | 1,966,000.00 | 31.125 | 1,867,500.00 | 1.10 | 3.5 | 60,000.00 | -18.500.00 | |
| AMERICAN ELECTRIC CO. | 30.00 | 60,000 | 1,800,000.00 | 30.00 | 1,776,000.00 | 1.20 | 5.8 | 100,000.00 | -18.500.00 | |
| AMERICAN ELECTRIC CO. | 29.00 | 70,000 | 2,030,000.00 | 26.75 | 2,005,450.00 | 1.74 | 6.4 | 125,000.00 | -17.500.00 | |
| AMERICAN ELECTRIC CO. | 29.00 | 40,000 | 1,142,000.00 | 28.075 | 939,375.00 | 1.55 | 6.8 | 60,000.00 | -20.500.00 | |
| AMERICAN ELECTRIC CO. | 27.00 | 140,000 | 3,257,000.00 | 24.125 | 2,852,000.00 | 1.36 | 6.9 | 167,200.00 | -32.000.00 | |
| AMERICAN ELECTRIC CO. | 28.00 | 70,000 | 1,987,000.00 | 27.75 | 1,854,500.00 | 1.00 | 3.0 | 70,000.00 | -18.500.00 | |
| TOTAL ELECTRIC UTILITY | | | 16,225,000.00 | | 15,307,500.00 | | 5.8 | 845,000.00 | -40.500.00 | |
| TELEPHONE, CABLE & ELECTRONICS | | | | | | | | | | |
| AMERICAN TELEPHONE & ELECTRONICS | 37.70 | 65,000 | 3,780,000.00 | 60.75 | 4,273,750.00 | 1.40 | 2.1 | 91,000.00 | 523,181.00 | |
| AMERICAN TELEPHONE & ELECTRONICS | 100.00 | 13,000 | 1,340,000.00 | 140.00 | 1,548,375.00 | 1.20 | 2.9 | 16,900.00 | 401,370.00 | |
| AMERICAN TELEPHONE & ELECTRONICS | 14.00 | 50,000 | 683,000.00 | 7.75 | 487,500.00 | 0.80 | 2.1 | 15,000.00 | -10.000.00 | |
| AMERICAN TELEPHONE & ELECTRONICS | 47.00 | 40,000 | 1,887,000.00 | 50.75 | 2,000,000.00 | 0.84 | 1.9 | 37,000.00 | 112,000.00 | |
| TOTAL TELEPHONE, CABLE & ELECTRONICS | | | 7,686,000.00 | | 8,739,625.00 | | 1.8 | 153,900.00 | 1,153,151.00 | |
| FINANCIAL CORP | | | | | | | | | | |
| AMERICAN FINANCIAL CORP | 49.50 | 20,000 | 991,000.00 | 47.00 | 940,000.00 | 2.00 | 4.3 | 40,000.00 | -51,250.00 | |
| INSURANCE | | | | | | | | | | |
| AMERICAN INSURANCE | 40.00 | 50,000 | 1,255,000.00 | 20.25 | 1,312,500.00 | 1.20 | 4.0 | 60,000.00 | 16,550.00 | |
| AMERICAN INSURANCE | 40.00 | 40,000 | 1,170,000.00 | 20.00 | 900,000.00 | 1.10 | 3.5 | 45,000.00 | -270,000.00 | |
| AMERICAN INSURANCE | 30.00 | 30,000 | 1,057,000.00 | 60.125 | 1,855,750.00 | 1.04 | 1.7 | 31,200.00 | 236,223.00 | |
| TOTAL INSURANCE | | | 4,122,000.00 | | 4,116,250.00 | | 3.4 | 140,700.00 | -17,030.00 | |
| TELEVISION & RADIO | | | | | | | | | | |
| AMERICAN TELEVISION & RADIO | 30.00 | 60,000 | 2,156,000.00 | 30.75 | 2,025,000.00 | 1.12 | 3.3 | 67,200.00 | -121,375.00 | |
| AMERICAN TELEVISION & RADIO | 30.00 | 40,000 | 2,000,000.00 | 40.00 | 1,840,000.00 | 1.48 | 3.2 | 56,400.00 | -160,700.00 | |
| AMERICAN TELEVISION & RADIO | 40.00 | 40,000 | 1,910,000.00 | 54.25 | 2,180,000.00 | 1.04 | 1.9 | 41,600.00 | 270,000.00 | |
| AMERICAN TELEVISION & RADIO | 30.14 | 40,142 | 1,571,000.00 | 49.20 | 1,987,029.00 | 0.80 | 1.6 | 32,113.00 | 415,716.00 | |
| TOTAL TELEVISION & RADIO | | | 7,644,000.00 | | 8,032,029.00 | | 2.5 | 195,313.00 | 367,575.00 | |

| | SHARES | AVG PER SH | COST | TOTAL | CURRENT PRICE | MARKET VALUE | DIVIDEND | YLD | ANNUAL INCOME | APPROX DEFERRED |
|----------------------------------|--------|---------------|--------------|-------|------------------|-----------------|----------|-----|------------------|--------------------|
| ALUMINUM | | | | | | | | | | |
| ALUMINUM CO. | 40,000 | 42.40 | 1,727,986.00 | | 59.45 | 2,370,000.00 | 2.00 | 3.4 | 80,000.00 | 642,000.00 |
| ALUMINUM CO. OF AMERICA | 65,000 | 26.98 | 1,623,479.00 | | 26.50 | 1,657,500.00 | .85 | 3.3 | 55,225.00 | 38,000.00 |
| ALUMINUM CO. OF CHINA | 60,000 | 31.41 | 1,884,360.00 | | 41.00 | 2,460,000.00 | .00 | 1.5 | 32,000.00 | 270,000.00 |
| ALUMINUM CO. OF INDIA | 60,000 | 31.41 | 1,884,360.00 | | 51.625 | 3,097,500.00 | .90 | 2.9 | 54,000.00 | 13,000.00 |
| TOTAL ALUMINUM | | | 7,445,581.00 | | | 8,415,000.00 | | 2.7 | 225,225.00 | 595,000.00 |
| STEEL & METALS | | | | | | | | | | |
| ACIPCO STEEL & CHEMICAL | 65,000 | 26.77 | 1,735,782.00 | | 26.625 | 1,740,625.00 | .50 | 2.4 | 32,500.00 | -395,175.00 |
| CELLULOSE | | | | | | | | | | |
| CELLULOSE ACETATE CO. | 8,000 | 213.44 | 1,727,487.00 | | 236.50 | 1,870,000.00 | 3.25 | 1.4 | 26,000.00 | 14,500.00 |
| CELLULOSE ACETATE CO. OF AMERICA | 25,000 | 43.67 | 1,096,753.00 | | 43.75 | 1,096,750.00 | 1.00 | 2.5 | 25,000.00 | -75,000.00 |
| CELLULOSE ACETATE CO. OF CHINA | 40,000 | 53.60 | 2,144,000.00 | | 24.125 | 965,000.00 | .00 | 1.3 | 24,000.00 | -14,000.00 |
| CELLULOSE ACETATE CO. OF INDIA | 20,000 | 53.60 | 1,072,000.00 | | 70.45 | 1,409,000.00 | .96 | 1.3 | 24,000.00 | 60,000.00 |
| TOTAL CELLULOSE | | | 5,622,812.00 | | | 6,154,750.00 | | 1.3 | 77,000.00 | 51,500.00 |
| OFFICE EQUIPMENT | | | | | | | | | | |
| OFFICE EQUIPMENT CO. | 25,000 | 65.40 | 1,635,000.00 | | 73.00 | 1,825,000.00 | | | | 75,000.00 |
| OFFICE EQUIPMENT CO. OF AMERICA | 14,000 | 32.60 | 4,564,000.00 | | 32.00 | 4,480,000.00 | 3.40 | 1.4 | 78,000.00 | 80,000.00 |
| OFFICE EQUIPMENT CO. OF CHINA | 14,000 | 32.60 | 4,564,000.00 | | 130.75 | 1,825,000.00 | .84 | 3.6 | 11,700.00 | 712,000.00 |
| TOTAL OFFICE EQUIPMENT | | | 7,971,178.00 | | | 9,615,000.00 | | 3.9 | 90,000.00 | 1,600,000.00 |
| PAPER | | | | | | | | | | |
| PAPER CO. | 25,767 | 47.74 | 1,231,280.00 | | 12.875 | 331,750.13 | .25 | 1.9 | 6,441.75 | -899,559.87 |
| PAPER CO. OF AMERICA | 60,000 | 26.84 | 1,610,400.00 | | 31.875 | 1,912,500.00 | 1.20 | 3.8 | 90,000.00 | 245,100.00 |
| TOTAL PAPER | | | 3,536,120.00 | | | 2,861,750.13 | | 3.6 | 102,441.75 | -656,359.87 |
| PETROLEUM | | | | | | | | | | |
| PETROLEUM CO. | 30,720 | 42.40 | 1,304,016.00 | | 50.00 | 1,537,500.00 | .30 | 3.6 | 9,225.00 | 123,484.00 |
| PETROLEUM CO. OF AMERICA | 20,000 | 77.31 | 1,546,107.00 | | 55.125 | 1,102,500.00 | 2.00 | 3.6 | 40,000.00 | -443,607.00 |
| PETROLEUM CO. OF CHINA | 55,000 | 31.60 | 1,738,500.00 | | 37.25 | 2,048,750.00 | .65 | 1.7 | 35,750.00 | 257,625.00 |
| PETROLEUM CO. OF INDIA | 40,000 | 70.00 | 2,800,000.00 | | 74.125 | 2,965,000.00 | 3.90 | 5.3 | 156,000.00 | -77,300.00 |
| TOTAL PETROLEUM | | | 7,388,623.00 | | | 7,653,750.00 | | 3.8 | 404,575.00 | -450,133.00 |

| ----- COST ----- | | | | | | | | | | | |
|----------------------------------|---------------|----------------|------------------|-----------------|---------------|-----|------------------|-------------------|--|--|--|
| SHARES | AVG PER SH | TOTAL | CURRENT PRICE | MARKET VALUE | DIVI- DEND | YLD | ANNUAL INCOME | APPROX/ DEPRIC | | | |
| 20,000 | 39.49 | 1,196,579.00 | 44.75 | 1,392,500.00 | 2.08 | 4.7 | 62,400.00 | 145,625.00 | | | |
| TOTAL RETAIL PRICE | | | | | | | | | | | |
| 35,000 | 59.94 | 2,047,752.00 | 57.00 | 1,959,000.00 | 1.40 | 1.4 | 28,000.00 | -52,725.00 | | | |
| 35,000 | 40.99 | 944,638.00 | 21.75 | 761,250.00 | 1.20 | 3.5 | 42,000.00 | -123,715.00 | | | |
| TOTAL RETAIL PRICE | | | | | | | | | | | |
| 50,000 | 42.44 | 2,122,119.00 | 41.625 | 2,081,250.00 | 2.60 | 6.3 | 130,000.00 | -40,725.00 | | | |
| 50,000 | 69.09 | 1,952,762.00 | 39.00 | 1,890,000.00 | 1.56 | 1.0 | 16,800.00 | -272,762.00 | | | |
| 80,000 | 41.00 | 1,722,520.00 | 21.00 | 1,680,000.00 | 1.84 | 4.0 | 67,200.00 | -52,520.00 | | | |
| 110,000 | 10.99 | 2,016,540.00 | 16.875 | 1,856,250.00 | | | | -162,290.00 | | | |
| TOTAL TELEPHONE & COMMUNICATIONS | | | | | | | | | | | |
| | | 7,825,953.00 | | 7,257,500.00 | | 2.9 | 214,000.00 | -528,453.00 | | | |
| TOTAL STOCKS | | | | | | | | | | | |
| | | 109,262,105.00 | | 110,600,071.03 | | 3.2 | 3,498,725.35 | 1,243,900.63 | | | |
| TOTAL BILLS | | | | | | | | | | | |
| | | 109,262,105.00 | | 110,600,071.03 | | | | .00 | | | |
| TOTAL VALUE OF PORTFOLIO | | | | | | | | | | | |
| | | | | | | | 3,498,725.35 | 1,243,900.63 | | | |

TOTAL NUMBER OF STOCKS - 02
 TOTAL NUMBER OF BONDS -
 TOTAL ITEMS IN PORTFOLIO - 02

DISTRIBUTION OF STOCKS BY INDUSTRY CLASSIFICATION

| CLASSIFICATION | CCST | % | MARKET VALUE | % | APPREC/ DEPREC |
|-------------------------------|----------------|-------|----------------|-------|-------------------|
| AIR TRANSPORT | 846,450.00 | 3.8 | 827,255.00 | 3.8 | -19,245.00 |
| AUTO | 3,110,350.00 | 2.9 | 3,151,437.50 | 2.9 | 90,157.50 |
| BAKES | 4,951,126.00 | 4.2 | 3,996,600.00 | 3.6 | -354,062.00 |
| BUILDING | 4,112,624.00 | 3.8 | 3,253,006.00 | 3.0 | -817,024.00 |
| CHEMICAL | 5,441,717.00 | 5.0 | 5,886,750.00 | 5.3 | 447,033.00 |
| COMPTICS | 1,908,644.00 | 1.7 | 2,283,006.00 | 2.1 | 360,356.00 |
| COG | 2,929,246.00 | 2.7 | 3,330,000.00 | 3.0 | 370,704.00 |
| ELECTRIC UTILITY | 16,215,087.00 | 15.0 | 15,337,500.00 | 13.9 | -967,587.00 |
| ELECTRIC EQUIP. & ELECTRONICS | 7,638,869.00 | 7.0 | 8,738,825.00 | 7.9 | 1,100,756.00 |
| ENGINE | 591,226.00 | .9 | 940,000.00 | .9 | -31,256.00 |
| FOOD | 4,123,886.00 | 3.8 | 4,106,250.00 | 3.7 | -17,036.00 |
| FURNITURE | 7,644,454.00 | 7.0 | 6,032,624.00 | 7.3 | -287,575.00 |
| MACHINERY | 7,445,561.00 | 6.8 | 8,415,000.00 | 7.8 | 569,439.00 |
| METALS & MINING | 1,739,782.00 | 1.6 | 1,540,625.00 | 1.2 | -359,157.00 |
| MISCELLANEOUS | 5,682,613.00 | 5.2 | 5,194,750.00 | 5.6 | -511,937.00 |
| OFFICE EQUIPMENT | 7,971,176.00 | 7.3 | 5,615,500.00 | 8.7 | 1,948,222.00 |
| OTHER | 3,338,120.00 | 3.2 | 2,801,750.13 | 2.6 | -896,369.87 |
| RETAILING | 11,228,862.00 | 10.3 | 10,768,750.00 | 9.8 | -450,132.00 |
| SALES | 1,150,457.00 | 1.1 | 1,342,500.00 | 1.2 | 142,925.00 |
| RETAIL TRADE | 2,992,356.00 | 2.7 | 2,750,250.00 | 2.5 | -236,140.00 |
| TELEPHONE & COMMUNICATIONS | 7,825,553.00 | 7.2 | 7,297,500.00 | 8.6 | -528,453.00 |
| TOTAL | 109,262,105.00 | 100.0 | 110,600,071.63 | 100.0 | 1,342,500.63 |

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RETIREMENT BOARD
SAN FRANCISCO CITY AND COUNTY
EMPLOYEES RETIREMENT SYSTEM

DOCUMENTS

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≡ ANNUAL REPORT

≡ July 1, 1972 - June 30, 1973

SAN FRANCISCO

CITY AND COUNTY EMPLOYEES' RETIREMENT SYSTEM

ANNUAL REPORT 1972 - 1973

ADMINISTRATION

San Francisco City and County Employees' Retirement System was established by the Board of Supervisors on April 1, 1922, and is now in its 51st year of service to the employees of the City and County of San Francisco.

The System is administered by the Retirement Board consisting of seven members: the President of the Board of Supervisors, three active members of the System elected to the membership, and three members appointed by the Mayor, who shall either hold a degree of Doctor of Medicine or shall be experienced in life insurance, actuarial science, employee pension planning, or investment portfolio management. Each member appointed by the Mayor shall be from among a list of names submitted by a committee consisting of two members each of the San Francisco Medical Society, Bar Association, Real Estate Board, and the Chamber of Commerce; no more than one member may serve on the Board at any one time.

Members of the Retirement Board as of June 30, 1973, were: John Simpson, Philip H. Mey and Warren DeMerritt, elected by the employee membership; Dean Anderson, E. V. Lowry, and Meta K. Stanley, appointed by the Mayor; and Ronald Pelosi, President of the Board of Supervisors.

In the administration of the System, the Retirement Board appoints an Actuary and a Secretary-General Manager. The Actuary holds his office at the pleasure of the Board. The latter is the Retirement System General Manager and is subject to Civil Service provisions of the Charter. The General Manager has jurisdiction over approximately 58 permanent employees divided into six divisions, namely; Administration, Investment, Accounting, Actuarial, Membership and Workmen's Compensation.

During the fiscal year 1972 - 1973, 162 hearings of applicants or their representatives were held in 43 meetings of the Retirement Board. Applications granted or denied during the year were as follows:

| <u>Ability Industrially Incurred</u> | <u>Granted</u> | <u>Denied</u> |
|--|----------------|---------------|
| <u>Police and Fire Only</u> | | |
| Retirements | 52 | 8 |
| Determination only | 36 | 13 |
| Monthly Death Benefits | 2 | 1 |
| Payment of Self-incurred medical bills | 27 | 3 |

Cost to the City for payment of self-incurred medical bills was \$44,685.32.

2

Ability Industrially Incurred
Police and Fire Only (Cont)

cost to the City for payment of self-incurred medical bills for the fiscal
as 1968 - 69 to 1971 - 72 are reflected below:

| | |
|-----------|--------------|
| 1968 - 69 | \$ 18,650.06 |
| 1969 - 70 | 19,482.19 |
| 1970 - 71 | 17,645.14 |
| 1971 - 72 | 40,251.38 |
| TOTAL: | \$ 96,028.77 |

Ordinary Disability Retirements

Granted

Denied

Police and Fire
Other

2
77

0
0

In addition to the above, the Board must consider and pass on numerous staff
activities, including the investment of Retirement System funds and the
appropriation and transfer of funds for the administration of the System.

Section 159 of the Charter gives the Retirement Board exclusive control of the
administration and investment of the Retirement System funds derived from contribu-
tions of member employees and from contributions of the City and County. These
funds now total \$574,000,000.00. The investment of these funds is a great
responsibility, since the goal of such investment is to obtain maximum yield without
jeopardizing the principal upon which the retirement benefits of City and County
employee members are dependent. There is a direct relationship between the yield
on investments and size of employee and City contributions required to meet the
needs of retirement benefits. The Controller and the Treasurer act jointly as
custodian for securities owned, and the Controller must ascertain that purchases
by the Retirement Board are as required in Section 159 of the Charter.

Eligibility for Retirement or Death benefits is determined by the Retirement Board,
utilizing recommendations from the Actuarial Division and the Administrative Division.
Applications of such benefits as directed by the Retirement Board are processed by the
Actuarial Division staff. A Deputy City Attorney from the City Attorney's Office
is available to the Board at each meeting and to Retirement System staff to assist
in determination of eligibility as defined in the Charter and Administrative Code
of the City and County of San Francisco.

Actuarial valuations of the System are a joint effort of the Retirement System's
Actuarial Division and an outside actuarial firm employed under contract. There
is a close working relationship between this firm and the Retirement System for the
purpose of determining the cost of new legislation and the implementation of new
legislation, as well as for the purpose of recommending contribution rates after
actuarial valuations of the System's mortality and financial status. A valuation
of the Retirement System is conducted each even number year and an investigation is
conducted each odd number year.

The Accounting Division provides the bookkeeping of the Retirement System, auditing
payrolls, acting as custodian of payrolls for the City and County, as well as
keeping a record of contributions to the System, and the additional disbursement of
funds. This Division administers the disbursement of funds for the administration of
the Retirement System, constructs the annual budget document, and provides for the
purchase and purchase of supplies and equipment for administration of the System. The
Controller annually audits the books of the Retirement System. The result of this
audit is published annually.

MEMBERSHIP AND CONTRIBUTIONS

MEMBERSHIP

Although the number of active members in the System fluctuates somewhat as new members are admitted and members leave with retirement, termination of employment, or death, the number of active members in the System as of the end of the fiscal year has shown a steady increase. The number of active members as of June 30, 1973, was approximately 28,000.

SOCIAL SECURITY COVERAGE OF MEMBERS

Members of the Retirement System except those who became members of the Retirement System prior to 1959 and who elected not to be covered by Social Security must contribute to Social Security. Those members covered by Social Security may, however, reduce their contribution into the Retirement fund by an amount equal to the Social Security payment less the medicare portion.

CONTRIBUTIONS

Members of the City and County of San Francisco and members of the Retirement System contributed to the Retirement fund. Members contributed through payroll deduction at rates effective on July 1, 1972, as a result of the last actuarial survey. Examples of rates for miscellaneous members covered under Charter Section 165.2 are as follows:

| <u>Nearest Age at Entry Into the System</u> | <u>Male</u> | <u>Female</u> |
|---|-------------|---------------|
| 20 | 5.19% | 5.50% |
| 30 | 5.95% | 6.41% |
| 40 | 6.98% | 7.71% |
| 50 | 8.32% | 9.37% |

The City and County contributed to the Retirement fund at rates established at the last actuarial survey. They are as follows:

| | | |
|-------------------|---------|---------|
| Police Department | (168.1) | 29.877% |
| Fire Department | (171.1) | 25.782% |
| Miscellaneous | (165.2) | 11.502% |

The City and County also made contributions for payment of prior and current service benefits for policemen retired under Sections 166 and 167, firemen retired under Sections 169 and 170, and for others, including matching funds, for miscellaneous employees retired under Section 165.

City and County has contributed to the Retirement fund amounts based on the following rates:

| <u>Effective Date</u> | <u>165.2</u> % | <u>Police</u> <u>168.1</u> % | <u>Fire</u> <u>171.1</u> % |
|-------------------------|-------------------|------------------------------------|----------------------------------|
| 1 1947 | 11.34 | 17.47 | |
| 1 1949 | 11.34 | 26.85 | 17.98 |
| November 1949 | 11.648 | 26.85 | 17.98 |
| January 1950 | 12.162 | 26.85 | 17.98 |
| November 1950 | 12.207 | 26.85 | 17.98 |
| November 1950 | 12.259 | 26.85 | 17.98 |
| February 1952 | 12.306 | 26.85 | 17.98 |
| April 1952 | 12.305 | 27.691 | 17.98 |
| February 1953 | 12.615 | 27.691 | 17.98 |
| April 1953 (Billing) | 12.553 | 21.062 | 21.662 |
| April 1956 (Billing) | 12.724 | 21.576 | 21.662 |
| February 1957 (Billing) | 12.898 | 19.714 | 27.775 |
| April 1957 | 12.898 | 19.714 | 27.775 |
| April 1957 (Billing) | 12.377 | 18.112 | 25.580 |
| October 1959 | 11.412 | 18.112 | 25.580 |
| November 1959 | 10.508 | 18.112 | 25.580 |
| March 1960 | 10.458 | 18.112 | 25.580 |
| April 1960 | 10.411 | 18.112 | 25.580 |
| April 1961 | 6.236 | 17.268 | 15.802 |
| March 1964 | 6.277 | 17.268 | 15.802 |
| April 1964 | 5.166 | 15.798 | 12.791 |
| April 1969 | 11.205 | 27.204 | 24.498 |
| April 1971 | 11.502 | 29.877 | 25.782 |

Withdrawal of Contributions

Withdrawals for 1972-1973 were as follows:

| | <u>Number</u> | <u>Total</u> | <u>Average</u> |
|--|---------------|------------------|-----------------|
| Miscellaneous (Excluding teachers) . . . | 1038 | \$2,020,567.78 | \$1,946.60 |
| Teachers | 143 | 325,789.58 | 2,278.25 |
| Policemen | 13 | 25,685.40 | 1,975.85 |
| Firemen | 4 | 19,475.87 | 4,868.97 |
| Contributions | 246 | 51,780.43 | 210.49 |
| Teacher Transfer Refund | 79 | 112,469.67 | 1,423.67 |
| Sheriff Transfer Refund | <u>57</u> | <u>82,736.96</u> | <u>1,451.53</u> |
| TOTALS: | 1580 | \$2,638,505.69 | \$1,669.94 |

Agreement on Teacher Transfer Project

As a result of the passage of Assembly Bill #961 all teachers were required to be covered by either the San Francisco City and County Employees' Retirement System or the State Teacher's Retirement System for the retirement benefits. Of the 6700 teachers, 5100 chose to be covered by the State Teachers' Retirement System and the rest chose to remain with the San Francisco City and County Employees' Retirement System.

All new teachers employed by the two school districts on or after July 1, 1972, are automatically members of the State Teachers' Retirement System only.

Pursuant to the Proposition approved in the November 1971 election 185 deputy sheriffs elected to transfer to the Public Employees' Retirement System for retirement coverage. All new deputy sheriffs as of January 24, 1973 are automatically members of the Public Employees' Retirement System.

RETIREMENT ALLOWANCES AS OF JUNE 30, 1973

| ROLL TYPE | NUMBER OF ALLOWANCES | AMOUNT | |
|----------------|----------------------------|--------------|---------|
| | | TOTAL | AVERAGE |
| <u>Price</u> | | | |
| Miscellaneous | 5438 | 1,583,081.51 | 291.11 |
| Price | 615 | 419,935.11 | 682.82 |
| Price | 556 | 282,726.72 | 508.50 |
| <u>Ability</u> | | | |
| Miscellaneous | 800 | 174,643.20 | 218.30 |
| Price | 405 | 253,324.30 | 625.49 |
| Price | 540 | 262,489.24 | 486.09 |
| <u>Ph</u> | | | |
| Price | 115 | 77,349.02 | 672.60 |
| Price | 131 | 74,699.39 | 570.22 |
| <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | 8600 | 3,128,248.49 | 363.75 |

SERVICE RETIREMENTS 1972-1973

| | |
|----------------------------------|-----|
| CELLANEOUS | 530 |
| ICE | 40 |
| Section 168.1 = 39 | |
| Section 166 = 1 | |
| E | 52 |
| Section 171.1 = 49 | |
| Section 169 = 3 | |
| TOTAL SERVICE RETIREMENTS 72/73: | 622 |

DISABILITY RETIREMENTS 1972-1973

| | |
|---|-----|
| CELLANEOUS | 73 |
| Average age=51.7, range 36-61 years. | |
| Average years of service=16.9; range 10-30 years. | |
| ICE | 20 |
| Non-industrial Disability = 2 | |
| Industrial Disability = 18 | |
| Section 168.1 = 20 | |
| Section 166 = 0 | |
| Qualified for service = 3 | |
| Not qualified for ser. = 17 | |
| E | 13 |
| Non-industrial Disability = 0 | |
| Industrial Disability = 13 | |
| Section 171.1 = 13 | |
| Section 169 = 0 | |
| Qualified for service = 8 | |
| Not qualified for ser. = 5 | |
| TOTAL DISABILITY RETIREMENTS 72/73: | 106 |

Industrial injuries or illnesses for which firemen and policemen were retired during 1972-73 may be classified as follows:

| | <u>NUMBER</u> | <u>PERCENT</u> |
|---|---------------|----------------|
| Heart and Vascular System | 7 | 23 |
| Back | 11 | 35 |
| Injuries to Lower Extremities | 4 | 13 |
| Injuries to Upper Extremities | 4 | 13 |
| Injuries to other parts of the body | 3 | 10 |
| Emotional Illness | <u>2</u> | <u>6</u> |
| | 31 | 100% |

TOTAL RETIREMENTS FOR SERVICE AND DISABILITY FOR 1964-1973:

| <u>Year</u> | <u>Total</u> | <u>Service</u> | <u>Disability</u> |
|-------------|--------------|----------------|-------------------|
| 1964-1965 | 408 | 335 | 73 |
| 1965-1966 | 371 | 280 | 91 |
| 1966-1967 | 419 | 326 | 93 |
| 1967-1968 | 387 | 293 | 94 |
| 1968-1969 | 499 | 396 | 103 |
| 1969-1970 | 627 | 539 | 88 |
| 1970-1971 | 608 | 522 | 86 |
| 1971-1972 | 711 | 611 | 100 |
| 1972-1973 | 728 | 622 | 106 |

Position of Sections of the 1932 Charter as Amended in the 1971 (Recodified) Edition of the Charter.

1971 (Recodified) Edition of the Charter

| | |
|-------|---------------------|
| 159 | 3.670, 3.672, 3.671 |
| 165 | 8.507 |
| 165.2 | 8.509 |
| 166 | 8.540 |
| 167 | 8.542 |
| 168.1 | 8.544 |
| 169 | 8.565 |
| 170 | 8.566 |
| 171.1 | 8.568 |

and new codes for Sections of the Charter that are most frequently referenced are set forth here so as to enable the reader to gain familiarity with those that pertain to the Retirement System.

YEARS OF SERVICE AT RETIREMENT

Those retiring for service during 1972-1973, the mean average of service for miscellaneous employees was 21 years. The median for policemen and firemen was 18 years.

CREDITED YEARS OF SERVICE PRIOR TO SERVICE RETIREMENT CITY AND COUNTY OF SAN FRANCISCO RETIREMENT SYSTEM FISCAL YEAR 1972-1973

| YEARS OF SERVICE | MISCELLANEOUS | | POLICE AND FIRE |
|------------------|---------------|------------|-----------------|
| | MALE | FEMALE | |
| 0-5 | 18 | 18 | |
| 6-10 | 33 | 44 | |
| 11-25 | 24 | 33 | |
| 16-20 | 44 | 28 | |
| 21-25 | 69 | 33 | |
| 26-30 | 88 | 19 | 38 (25-29) |
| 31-35 | 45 | 9 | 39 (30-34) |
| 36-40 | 14 | 7 | 9 (35-39) |
| Over 40 | 3 | 1 | 5 (40---) |
| | <u>338</u> | <u>192</u> | <u>92</u> |

CREDITED YEARS OF SERVICE PRIOR TO DISABILITY RETIREMENT CITY AND COUNTY OF SAN FRANCISCO RETIREMENT SYSTEM FISCAL YEAR 1972-1973

| YEARS OF SERVICE | MISCELLANEOUS | | POLICE AND FIRE | |
|------------------|---------------|-----------|-----------------|----------|
| | MALE | FEMALE | NON-FLUCT | FLUCT |
| 0-5 | 0 | 0 | 3 | - |
| 6-10 | 7 | 3 | 4 | - |
| 11-15 | 16 | 5 | 5 | - |
| 16-20 | 16 | 9 | 3 | - |
| 21-25 | 8 | 1 | 10 | - |
| 26-30 | 5 | 2 | 4 | - |
| 31-35 | 1 | - | 4 | - |
| 36-40 | - | - | - | - |
| Over 40 | - | - | - | - |
| | <u>53</u> | <u>20</u> | <u>33</u> | <u>0</u> |

Of those retiring for disability, the median length of service for miscellaneous employees was about 17 years, and the median for police and fire was 18 years of service.

T RETIREMENT

ose members retiring for service during 1972-73, about 10% of the miscellaneous
rs and 65% of the policemen and firemen was under age 60. About 36% of the
llancous members had attained age 65 at retirement. About 5% of the policemen
iremen were 65 or over.

ose members retiring for disability during 1972-73, 61% of the miscellaneous
rs and 73% of the policemen and firemen were under age 55.

Age at Retirement
MISCELLANEOUS EMPLOYEES

City and County of San Francisco Retirement System
Fiscal Year 1972-1973

| <u>Retirement Age</u> | <u>Service</u> | <u>Disability</u> |
|-----------------------|----------------|-------------------|
| Under 55 | 3 | 45 |
| 55-59 | 53 | 27 |
| 60-64 | 282 | 1 |
| 65 | <u>192</u> | <u>-</u> |
| | 530 | 73 |

Police and Fire
NON-FLUCTUATING ALLOWANCES

| | | |
|----------|----------|----------|
| Under 50 | 2 | 20 |
| 50-54 | 21 | 5 |
| 55-59 | 37 | 7 |
| 60-64 | 27 | 1 |
| 65 | <u>1</u> | <u>-</u> |
| | 88 | 33 |

FLUCTUATING ALLOWANCES

| | | |
|---------|----------|----------|
| 60-65 | - | - |
| Over 65 | <u>4</u> | <u>-</u> |
| | 4 | 0. |

BENEFITS

aterial on Page 14 of the Report for 1969-1970:

INDUSTRIAL DEATH ALLOWANCES

| <u>Year</u> | <u>Number</u> |
|-------------|---------------|
| 1960-61 | 9 |
| 1961-62 | 18 |
| 1962-63 | 8 |
| 1963-64 | 11 |
| 1964-65 | 9 |
| 1965-66 | 5 |
| 1966-67 | 13 |
| 1967-68 | 7 |
| 1968-69 | 13 |
| 1969-70 | 8 |
| 1970-71 | 10 |
| 1971-72 | 14 |
| 1972-73 | 2 |

COMPARISON OF EXPENDITURES FOR ALL
APPROPRIATIONS OTHER THAN THOSE FOR PERSONAL SERVICES, WITH ORIGINAL
BUDGET APPROPRIATIONS FOR 1972-1973

| | <u>ORIGINAL APPROPRIATION</u> | <u>AMOUNT EXPENDED</u> | |
|----------------------------------|-----------------------------------|----------------------------|-------|
| 20 Contractual Services | \$ 70,507.00 | \$ 70,021.30 | |
| 30 Materials and Supplies | 6,325.00 | 6,086.00 | |
| 40 Equipment | 190.00 | 190.00 | |
| 50 Fixed Charges | 109.00 | -0- | |
| 61 Accident Compensation | 2,749,598.00 | 3,608,919.78 | (1) * |
| 60 Retirement Allowances | | | |
| General Fund | 32,621,442.00 | 30,729,478.19 | |
| Special Fund | 8,246,499.00 | 13,698,633.82 | * |
| 63 Mandatory Fringe Benefits | 340,175.00 | 339,493.55 | |
| 90 Services of other Departments | | | |
| EDP Program | 167,980.00 | 167,980.00 | |

School district transferred \$9,243,314.00 to cover their Retirement liabilities, and \$178,590.00 to cover their accident compensation liabilities. The school department was charged a rate of 3.2% for those employees who elected to go to the State Teachers' Retirement System.

(1) Supplemental appropriations were received or transfers of funds were made to cover deficits in original budget appropriations.

WORKMEN'S COMPENSATION DIVISION

provided by Section 8.515 of the Charter of the City and County of San Francisco, benefits provided under the Workmen's Compensation Laws of the State of California are administered by the Retirement Board through the Compensation Division of the Retirement System.

June 12, 1972, our new Industrial Clinic was merged with our Claims Office and located at Saint Francis Memorial Hospital. This brought to a close the operation of Ward 45 (originally Ward 1, established in 1932) at San Francisco General Hospital. The location of the claims adjustors at the scene of treatment has proven to be unique and has allowed better medical control of the injured.

Although there was a 44% patient load increase from the first six months of 1972 to the first six months of 1973, the cost remained approximately the same.

PATIENT VISITS FRANCISCAN TREATMENT ROOM

First Six Months - 1972 (Ward 45)

January - June 4,136 -- Monthly Average = 689

First Six Months - 1973 (Franciscan Treatment Room)

January - June 5,943 -- Monthly Average = 991

Increase of = 1,807 -- Approximate 44% Increase.

The increase of patient load reflects a much greater awareness that all on-the-job injuries are legally the responsibility of the employer. To this end, the Compensation Division assigned one employee, full-time, for eight months, to the task of personally visiting each and everyone of the over 100 city departments to explain Workmen's Compensation procedures for work-related injuries. What we learned by these visits was the fact that many supervisors and most employees did not know what procedure to follow if an accident occurred while at work. All departments have now been instructed on proper procedures to follow for occupationally related injuries.

The moderation of expenses is attributable to the proximity and immediate availability of the adjustor. The adjustor controls the extent of medical care, often negating the necessity for multiple referrals. The adjustor has, in some cases, immediately referred the injured to his private physician, where the case was non-industrial. The adjustor is now known to be immediately involved in the granting of permission for the injured to be treated.

The Compensation Division initiated one additional procedure to further streamline work flow just prior to the close of the fiscal year. A Non-Disability Desk was created to take an even load away from each adjusting team. Non-Disability claims are those claims on which no compensation is paid. Generally, there is little, if any, lost time from work. In the first four and one-half months of operation, the non-disability clerk processed 812 claims, thus, relieving the adjusting teams of their responsibility.

number of Workmen's Compensation Appeals Board hearings decreased from 576 cases 1971-1972 to 568 in 1972-1973. The slight decrease in the number of Workmen's Compensation Appeals Board hearings can be attributed to the decrease in Railway cases following the salary change, wherein fringe benefits for Workmen's Compensation were not included in the salary agreement for Railway employees.

number of disability retirements among policemen and firemen increased, causing more cases for medical follow-up and medical payments.

Effective April 1, 1972, the maximum weekly benefit for temporary disability payments was increased from \$87.50 weekly to \$105.00 weekly and the maximum for permanent disability to \$70.00, with fluctuating increase in the number of weekly payments for permanent disability dependent upon the severity of the permanent disability. On October 1, 1972, the Workmen's Compensation Medical Fee Schedule increased from a unit value of \$6.00 to \$6.50, thus raising our costs for medical services from Hospitals, physicians, pharmacies, etc.

PERSONNEL

During the twelve month period from July 1964 to June 1965, total injuries seen were 3,489. During twelve calendar months from January through December 1972, 8,774 total injuries were seen by the medical clinic of the Compensation Division.

It is important to note that the Compensation Division of the Employees' Retirement System has the same number of permanent staff now (1973) as it did then (1964) and nevertheless, sustained an increase of 151.5% in total injuries treated.

The total number of employees employed by the City and County of San Francisco has increased, the size of our permanent staff to treat their job-related injuries has remained the same.

In light of the above, the Compensation Division, nevertheless, continued to meet its objective while sustaining over a 100% turnover in personnel assigned to this division. The personnel practices of the city have made the efficient management of this division most difficult.

INVESTIGATION

| Investigations Completed | 69/70 | 70/71 | 71/72 | 72/73 |
|---------------------------|-------|-------|-------|-------|
| Administrative | 317 | 170 | 80 | 58 |
| W.C.A.B. | 62 | 103 | 114 | 94 |
| Retirement Board | 115 | 186 | 141 | 186 |
| Other Investigations | 36 | 27 | 37 | 38 |
| Total Investigation: | 530 | 486 | 372 | 376 |
| Miscellaneous Assignments | | | | |
| Subpoenas Served | 326 | 442 | 412 | 420 |
| Copy Assignments | 127 | 21 | 0 | 0 |
| Total: | 453 | 463 | 412 | 420 |

EXPENDITURES FOR FISCAL YEAR 1972 - 1973

| | <u>TOTAL</u> | <u>MEDICAL</u> | <u>PERMANENT</u> | <u>TEMPORARY</u> |
|-------------------------------|--------------|----------------|------------------|------------------|
| R | 5.00 | 5.00 | - | - |
| TORNEY | 258.84 | 258.84 | - | - |
| T ATTORNEY | 55.65 | 25.65 | - | 30.00 |
| ER | 455.30 | 395.30 | - | 60.00 |
| | 27.00 | 27.00 | - | - |
| DEFENDER | 46,435.92 | 13,827.79 | 7,342.58 | 25,265.55 |
| | 16.65 | 16.65 | - | - |
| | 676,855.12 | 431,319.64 | 189,332.95 | 56,202.53 |
| RT AQUARIUM | 603,791.70 | 455,757.86 | 126,251.77 | 21,782.07 |
| AL COURT | 383.84 | 353.84 | - | 30.00 |
| UIDANCE | 1,471.52 | 989.31 | - | 482.21 |
| E COURT | 662.95 | 167.95 | - | 495.00 |
| ROBATION | 16,595.10 | 5,631.00 | 1,412.11 | 9,461.99 |
| & RECORDS | 1,313.58 | 743.58 | - | 570.00 |
| LECTOR | 586.59 | 567.60 | - | 18.99 |
| AR | 724.40 | 124.40 | - | 600.00 |
| ER | 1,149.53 | 466.05 | 417.00 | 266.48 |
| R | 33.75 | 33.75 | - | - |
| CLERK | 2,328.90 | 1,863.90 | - | 465.00 |
| ING | 14,421.96 | 8,781.96 | - | 5,640.00 |
| UDITORIUM | 727.83 | 255.46 | - | 472.37 |
| GENERAL OFFICE | 4,516.86 | 2,896.86 | - | 1,620.00 |
| CCOUNTS | 2,961.94 | 378.60 | - | 2,583.34 |
| BUILDING REPAIR | 51,435.37 | 22,479.73 | 6,878.36 | 21,877.28 |
| BUILDING INSPECTION | 10,507.83 | 1,340.33 | 8,367.50 | 600.00 |
| ENGINEERING | 6,172.69 | 3,493.70 | 13.00 | 2,665.99 |
| REET CLEANING | 37,684.77 | 15,275.97 | 5,395.00 | 17,013.80 |
| WER REPAIR | 28,528.40 | 9,097.39 | 10,986.00 | 8,445.01 |
| REET REPAIR - BRIDGES | 6.50 | 6.50 | - | - |
| RAFFIC ENGINEERING | 110.80 | 110.80 | - | - |
| CITY | 8,358.02 | 2,049.52 | 2,735.00 | 3,573.50 |
| GENERAL OFFICE | 23,918.75 | 11,189.72 | 2,696.16 | 10,032.87 |
| AGUNA HONDA | 170,795.99 | 60,860.66 | 37,941.69 | 71,993.64 |
| COMMUNITY MENTAL HEALTH | 10,901.77 | 4,659.46 | 341.73 | 5,900.58 |
| AN FRANCISCO GENERAL HOSPITAL | 172,772.91 | 59,724.05 | 28,132.77 | 84,916.09 |
| EMERGENCY HOSPITALS | 33,145.28 | 10,445.82 | 6,328.83 | 16,370.73 |
| ASSLER HOSPITAL | 15,404.18 | 1,818.68 | 9,186.80 | 4,399.70 |
| SERVICES | 22,211.09 | 14,888.50 | - | 7,322.59 |
| | 5,375.28 | 2,053.22 | 664.56 | 2,657.50 |
| ACRICULTURE | 27.50 | 27.50 | - | - |
| AND MEASURES | 11.80 | 11.80 | - | - |
| LER | 2,362.90 | 410.65 | 1,295.33 | 656.92 |
| SERVICE COMMISSION | 693.12 | 366.15 | - | 206.97 |
| MENT | 462.60 | 388.30 | - | 74.30 |
| RIGHTS COMMISSION | 124.15 | 124.15 | - | - |
| ER FISCAL YEAR 1972 - 1973 | 1,976,411.73 | 1,145,940.59 | 445,719.14 | 384,752.00 |

EXPENDITURES FOR FISCAL YEAR 1972 - 1973

| FUND | TOTAL | MEDICAL | PERMANENT | TEMPORARY | PRO-RATE |
|----------------------|--------------|------------|------------|------------|----------|
| ION & PARKS | 126,120.05 | 44,305.77 | 14,168.68 | 60,334.72 | 7,310.8 |
| ORIAL | 12,031.21 | 4,766.18 | 220.00 | 6,781.87 | 263.1 |
| OF HONOR | 761.38 | 340.90 | 315.00 | - | 105.4 |
| G MUSEUM | 360.48 | - | - | 255.00 | 105.4 |
| ND | 2,566.00 | 1,208.06 | 348.08 | 658.38 | 351.4 |
| | 21,745.65 | 7,194.28 | 6,426.18 | 6,613.79 | 1,511.4 |
| | 29,049.50 | 17,515.66 | 1,195.98 | 8,132.26 | 2,205.4 |
| AL RAILWAY | 729,464.18 | 258,583.78 | 71,262.34 | 340,287.26 | 49,330.8 |
| | 68,653.99 | 23,970.99 | 15,834.78 | 26,291.26 | 2,556.9 |
| ETCHY | 35,101.71 | 14,904.91 | 2,593.43 | 15,977.85 | 1,625.9 |
| ON | 369,175.50 | 172,813.39 | 28,815.88 | 146,650.39 | 20,895.8 |
| SERVICE SYSTEM | 114.24 | - | - | - | 114.2 |
| TY COLLEGE DISTRICT | 5,156.75 | 1,801.25 | - | 2,660.34 | 695.4 |
| UTILITIES COMMISSION | 4.65 | 4.65 | - | - | - |
| AL | 1,400,305.29 | 557,409.82 | 141,180.35 | 614,643.12 | 87,972.0 |
| UILDING REPAIR | 3,014.24 | - | - | 2,320.60 | 693.6 |
| REET CLEANING | 105.36 | - | - | - | 105.2 |
| | 1,403,424.89 | 557,409.82 | 141,180.35 | 616,963.72 | 87,871.0 |

IDENT COMPENSATION EXPENDITURES:

Franciscan Treatment Room

General Fund 1,976,411.73

Special Fund 1,403,424.89

3,379,836.62

Temporary Salaries

106,720.31

Overtime

2,386.91

Work Orders

86,221.32

Encumbrance Requests

28,752.58

Revolving Fund

1,049.67

Purchase Orders

3,952.37

3,608,919.78

SUBROGATION CASES

| | July 1, 1970 to June 30, 1971 | July 1, 1971 to June 30, 1972 | July 1, 1972 to June 30, 1973 |
|---------------------------|----------------------------------|----------------------------------|----------------------------------|
| of cases submitted to R/D | 85 | 87 | 94 |
| Retirement System Costs | \$190,736.15 | \$174,362.19 | \$203,363.57 |
| <u>TE RECOVERIES</u> | | | |
| of cases | 49 | 52 | 56 |
| Recovered | \$70,238.37 | \$44,666.58 | \$37,018.74 |
| <u>RISE RECOVERIES</u> | | | |
| of cases | 36 | 35 | 38 |
| ment System Costs | \$120,497.88 | \$129,695.61 | \$169,344.83 |
| Recovered | 62,387.45 | 64,977.37 | 91,897.65 |
| covered | 52% | 50% | 54% |
| Cases Compromised | 42% | 40% | 40% |
| Amount Recovered | \$132,625.72 | \$109,643.95 | \$128,916.39 |
| Recovery | 70% | 63% | 62% |

INVESTMENT POLICY

INTRODUCTION

The Retirement System was established April 1, 1922, under Article XVII, of the Charter adopted November 2, 1920. This Charter provided that "The Board of Administration shall have exclusive control of the administration and investment of such fund or funds as may be established." The broad powers of the Board were limited by Section 159 of the new Charter adopted January 8, 1932, which gave the Retirement Board "exclusive control of the administration and investment of such fund or funds as may be established, provided that all investments shall be of the character legal for insurance companies in California."

I SUMMARY OF INVESTMENT ACTIVITY FOR FISCAL YEAR

As of June 30, 1973, the common stock portion represented approximately 22% of the total portfolio at cost and 23.9% of the portfolio at market value. (Currently, the Board of Trustees has a limit on common stock investments of 25% of the total portfolio.) The fiscal, in terms of common stock investments, was indeed a difficult year. As of June 30, 1973, the common stock portfolio was \$14,237,574 less than original cost. However, since the year end, the stock market has recovered a significant portion of the unrealized depreciation. During the 1972-73 fiscal year, the portfolio increased its commitment by the additional purchase of \$44,743,492 in common stocks, while selling \$24,933,339 in common stocks. The total sale of common stocks resulted in a net realized gain of \$464,116.

During the 1972-73 fiscal period the bond market offered excellent opportunities for the system to avail itself of the relatively high rates of return on fixed income investments. Accordingly, the system purchased a total of \$49,372,000 in long term bonds with yields averaging around the 7.75% level. In addition, in a continuing effort to upgrade the yield level of the bond portfolio, approximately \$25,492,624 of bonds were sold with the reinvestment of proceeds being invested in higher coupon bonds.

Attached is a listing of the investment portfolio as of June 30, 1973.



